ROLLO

998

MINISTERIO DE DEFENSA NACIONAL

DIRECCION GENERAL DE INFORMACION DE DEFENSA

A. G. I. I.

DIV. MICROFILMACION

ROLLO N° 998
(MC)

ACTA DE APERTURA DE MICROFILMACION:

LUGAR DE LA MICROFILMACION (ORGANISMO): DIRECCION GENERAL DE INFORMACION DE DEFENSA

FECHA DE INICIACION DE LA MICROFILMACION: 12 de abril de 1991

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Cnel.
Pedro Barneix

MINISTERIO DE DEFENSA NACIONAL – DIRECCION GENERAL DE INFORMACION DE DEFENSA – A.G.I.I. – República O. del Uruguay

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HEALTH SERVICES IN THE RSA

The RSA's medical facilities in general and the doctor - patient ratio in particular are very often used to discredit the Government. Wild and unfounded accusations are regularly being made, the TUC allegations in the UK during the latter part of 1986 being just one more example.

Attached please find some very useful and informative statistics provided by the Department of National Health and Population Development.

Attached is also another backgrounder provided by the same Department, dealing mainly with health services on the various levels, the National Health Strategy, health finance, and, most important, certain perspectives on health in general in the RSA.

Various tables are also provided.

ESTIMATE OF THE NUMBER OF DOCTORS TREATING MAINLY NON-WHITE PATIENTS IN SOUTH AFRICA - 1986

NUMBER OF DOCTORS

Employed - Non-White Hospitals and Health Departments	
Full-time	4 341
Part-time (50% of total number)	67
Hospitals Treating All-Race Groups	
Full-time (50% of total number)	2 430
Part-time (25% of total number)	247
TOTAL	7 085
Private Practitioners - Treating All Race Groups	
(25% of total number)	1 718
GRAND TOTAL	8 803

RATIO PER NON-WHITE POPULATION

	Population per Doctor	Doctor per 10 000 Population
Employed Doctors	3 738	2.7
Employed & Private Practitioners	3 008	3.3

THE ESTIMATE IS BASED ON THE FOLLOWING

1. Employed doctors at Non-white hospitals, local authorities, homelands and the mines :

   a. Full-time - 100 percent of the numbers are included.

   b. Part-time - It is considered that 50 percent of the working time of these doctors is spend on Non-white health care, thus 50 percent of the total number is included.

2. Doctors employed at hospitals or other organisations which treat all race groups :

   a. Full-time - It is considered that at least 50 percent of their time is spend in Non-white health care, thus 50 percent of their total number is included.

   b. Part-time - It is estimated that these doctors will spend at least 25 percent of their time in Non-white health care, thus 25 percent of their total number is included.

3. Private Practitioners - Although most private practitioners treat all race groups, in order not to overestimate the amount of time spend on Non-white health care, 25 percent of the total time of these practitioners will be taken as spent on Non-white care, thus only 25 percent of their total number is included.

NUMBER OF DOCTORS EMPLOYED :

1. ***DEPARTMENT OF NATIONAL HEALTH***

   a. Psychiatric Hospitals : Mixed full-time 127
      Non-white full-time 17

b.	District surgeons	: Mixed full-time	147
		Mixed part-time	500
c.	Hospitals Treating Mainly Non-whites	: full-time	434
	TOTAL	: Mixed full-time	274
		: part-time	500
		: Non-white full-time	451

2. ***NATAL*** :

a. Provincial Hospitals

Mixed full-time	:	404
Non-white full-time	:	461

b. Private and Aided Hospital

TOTAL	: Mixed Full-time	404
	: Non-white Full-time	497
	: Part-time	28

3. ***ORANGE FREE STATE*** :

a. Provincial Hospitals

Mixed full-time	:	230
part-time	:	473
Non-white full-time	:	2
part-time	:	31

b. Private Hospital

Allanridge Chest

Non-white full-time	:	1
part-time	:	2

TOTAL	: Mixed	full-time	404
		part-time	473
	: Non-white	full-time	3
	:	part-time	33

4. ***CAPE*** :

a. Provincial Hospitals

Mixed	:	2 270
Non-white full-time	:	172
part-time	:	67

b. Private or Aided Hospitals

Non-white part-time	:		3
TOTAL	: Mixed	full-time	2 270
	: Non-white	full-time	172
	:	part-time	70

5. *TRANSVAAL* :

a. Provincial Hospitals

Mixed full-time	:		1 605
Non-white full-time	:		1 604
TOTAL	: Mixed	full-time	1 640
	: Non-white	full-time	1 604

6. *LOCAL AUTHORITIES* :

Figures from the following Local Authorities were included :

Vereeniging, Kimberley, Krugersdorp, Springs, Katlehong, Tembisa, Germiston, Cape Town, Paarl, Pretoria, Johannesburg, Soweto, Port Elizabeth

TOTALS	: Mixed	full-time	78
		part-time	16
	: Non-white	full-time	12
	:	part-time	6

7. *HOMELANDS* :

TOTAL	:	full-time	1 367

8. *MINE DOCTORS* :

full-time 235

TOTAL NUMBER OF EMPLOYED DOCTORS TREATING EITHER ALL RACE GROUPS OR MAINLY NON-WHITES

	MIXED		NON-WHITE	
	FULL-TIME	PART-TIME	FULL-TIME	PART-TIME
Mine doctors			235	
Homelands			1 367	
Dept of Nat Health	274	500	451	
Provincial : Natal	404			28
O F S	230	473	3	33
Cape	2 270		172	70
Tvl	1 605	1 604		
Local Authorities	78	16	12	6
	4 861	989	4 341	137

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TOTAL NON-WHITE POPULATION SOUTH AFRICA

Black	22 803 688
Coloured	2 803 174
Indian	867 000
	26 582 862

NON-WHITE HOSPITALS, HEALTH DEPARTMENTS, MINES AND LOCAL AUTHORITIES

a. The full-time doctors employed under this category treat almost exclusively Non-whites and are therefore counted fully.

Number 4 341

b. Part-time employed doctors are considered to spend only 50 percent of their time in totally Non-white health care and therefore only 50 percent of their numbers are deemed appropriate to count.

Number 137 - 2 = 69

DOCTORS EMPLOYED IN HOSPITALS AND LOCAL AUTHORITIES THAT TREAT ALL RACE GROUPS

Full-time doctors in this employment will spend at least 50 percent of their time in Non-white health care. For this reason it is deemed appropriated to use half the number of these doctors in the calculations.

Number : 4 861 - 2 = 2 431

Part-time doctors in this employment are estimated to spend about 25 percent of their time in Non-white health care therefore only 25 percent of these doctors will be used in the calculations.

Number : 989 - 4 = 247

PRIVATE PRACTITIONERS

In 1979 there were 14 966 doctors registered, and the number increased to 20 477 by 1986, an increase of 36 percent.

In 1979 there were 5 053 private practitioners, which if they increased by the same amount of 36 percent, would give a figure of 6 872 in 1986.

Most private practitioners treat all race groups, but so as not to overestimate the number treating Non-whites, 25 percent will be taken as a reasonable estimate of private practitioner's time spent on Non-white health care.

Number : 5 872 - 4 = 1 718

A SURVEY OF THE SOCIAL SECURITY SYSTEM IN SOUTH AFRICA : HEALTH SERVICES

1. *PUBLIC SECTOR STRUCTURES FOR HEALTH DELIVERY*

The Health Services of the Public Sector is a major contributor towards social security in South Africa, in particular towards the large Third World component of the South African community. In accordance with the Health Act 1977 (Act 63 of 1977), these health services are rendered at the three levels of Government :

a. *NATIONAL LEVEL*

The Department of National Health and Population Developent is primarily responsible for supplying facilities for preventative and promotive health services in South Africa, co-ordinating its health services with those of the Provincial Administrations (of the four provinces of South Africa) and local authorities. This department also renders health services in areas where no local authority exists. It provides population development-, family planning services and certain laboratory services on a national basis.

Co-ordination between the different Health Authorities is done through the National Health Policy Council (representing policy makers of health services on the political level, chaired by the Minister of National Health and Population Development) and the Health Matters Advisory Council (consisting of the various departmental heads of the health services and chaired by the Director-General of the Department of National Health and Population Development).

The Department of National Health and Population Development is responsible for national health planning, for the co-ordinating of health services and determines norms and standards for the rendering and the evaluation of such services in South Africa. The Department manages a National Health Data Bank and provides a National Epidemiologic Service. It employs regional offices to facilitate these services throughout South Africa.

The functions of the Department can be described as "general affairs" and is applicable to the South African population as a whole, as opposed to "own affairs" that came into being with the promulgation f the "new" Constitutional Act, 1983 (Act 110 of 1983). On a national level the health matters of the three Houses of Parliament, i e for whites, Coloureds and Indians, pertaining specifically to only one of these population groups, are considered to be own affairs health matters and are administrated by their respective Departments of Health Services and Welfare. These departments will serve, manage and promote all the health and welfare

matters concerning their own population groups, particularly promotive and curative services, welfare matters and pensions.

Matters relating to a specific population group, such as hospital services, dental services, health education, nutritional services, registration of private hospitals and social welfare, are examples of own affairs health and welfare responsibilities.

Ideally these structures will in future bear the total responsibility for and serve their own population groups, according to the specific health and welfare needs and priorities of their groups, within their own budgets and with decisionmaking powers for their "own affairs".

These responsibilities have bearing on the rendering of health and welfare services for the different population groups on all the levels of Government, but is administrated on a national level, through decentralised regional offices.

b. *PROVINCIAL LEVEL*

At this early stage in the constitutional development of South Africa, practically all public curative services is still the responsibility of the Departments of Hospital Services of the four provinces. It primarily consists of a network of community, regional and academic hospitals and supportive infrastructures, Ambulance and Emergency Medical Services, School Medical Services, District Surgeons and Family Planning Services. It renders its personal health services, including out patient, maternity and acute psychiatric services, to all the population groups in South Africa.

c. *LOCAL AUTHORITIES*

Some 400 urban and rural local authorities are responsible for health matters concerning their communities' public health and the environment within the boundaries of their areas, relating to .

- non-personal health services and environmental hygiene
- prevention of communicable disease
- promotion of health of the community
- food and water higiene

The bedical Officer of Health of a Local Authority acquaints itself with the health conditions prevailing

within its area and reports to the Director-General of the Department of National Health and Population Development on their conditions. The Medical officer also advises the Local Authority on health matters concernng local interests such as landusage, industrial development, air pollution and town planning.

d. *NATIONAL HEALTH STRATEGY*

In view of the continuing population growth in South Africa, associated with an ever increasing and pressing need for basic services and facilities, especially for the Third World component of the South African community as seen against the background of expected future economic realities and trends, the Government has committed it self towards furthering the aims of a National Health Service Facilities Plan. The Plan provides for six levels of health care facilities and implies that provision should be made for the needs of a certain level before services and facilities be supplied for the next, starting with (Level I) basic subsistence needs such as safe drinking water, basic housing, -food, -sanitation and -refuse disposal.

According to the Plan, health education (Level II) and primary health measures, should be implemented before the construction of additional hospitals. The policy places the emphasis on preventative health care, providing for the needs of the individual and of the community as a whole in the most effective way, as opposed to emphasis on expensive curative health care.

In this way the policy provides a measure of social security, especially for those who previously had no access to these basic facilities, and those who could not afford it.

e. *SELF GOVERNING NATIONAL STATES*

The self governing National States of South Africa have their own, independent Departments of Health, providing within a unitary structure health services for their people. TABLE A reflects the budgets for the Departments of Health and Welfare of these states.

2. *PUBLIC SECTOR HEALTH FINANCE*

a. *PUBLIC SECTOR HEALTH BUDGETING*

TABLE B gives a breakdown of the health budgets for South Africa for the 1985/86 bookyear.

In 1984/85 5,4 percent of the GNP in South Africa was spent on Health (private and public), which exceeds the W H O's target of 5 percent for the year 2000.

In 1984/85 R58,18 per capita was spent on health services in South Africa.

b. *THE PRICE OF HEALTH CARE FOR THOSE IN NEED*

A well developed social security system should at least cater for the basic health care of those in need. This need could arise from (a) not having adequate financial resources available to pay for health care at any stage, or (b) being exposed to continuous or high health care costs, draining whatever financial resources were available.

In South Africa, preventative health care is heavily subsidised by the Government, for all the population groups. Examples are free basic immunisation, diagnosis and treatment of certain communicable disease such as tuberculosis.

For an almost complete spectrum of curative medical care in a hospital or out patient clinic, tariffs are determined according to a "means test". This system consists of three categories for patient fees, based on their taxable income (e g Cape Province) :

* *Government patient*

  A "tokenfee" of 50 cent to R1 is payable on admission to hospital or visit to outpatient facility, irrespective of the nature or duration of treatment. Any person who does not earn enough to pay income tax, qualifies for this category.

* *Semi-Government patient*

  Individuals paying tax of R150 or less per annum qualifies for this category. The amount of tax payable is not only calculated on income, but also takes into consideration factors such as dependants.

  Examples of minimum income to qualify for this category, are :

  - Inpatient services : Specialist services : R7 - R36 per day

    : General practiioner services : R3,50 - R17,50 per day

  - Outpatient services : Specialist services : R8 - R16 per visit

: General practitioner services : R4 - R8 per visit

* *Private patients*

These patients generally make use of private practitioners and, based on the 1979 sensus of Health Services, 1979, 68 percent of private patients were members of a medical aid scheme.

The tariff for private pateints admitted to Provincial Hospitals usually only accounts for the stay in hospital and in most cases, excludes the fee charged by the doctor. They pay as follows for medical services rendered by the public sector :

- Inpatient services : Specialist services : R42 - R63 per day

  : General practiioner services : R21 - R31,50 per day

- Outpatient services : Specialist services : R20 per visit

  : General practitioner services : R10 per visit

Private patients are additionally charged for theatre facilities, X-rays, laboratory tests, medication and prosthesis.

Any South African in need of medical care should therefore be able to obtain this care, whether he is in a position to pay for it or not. In this regard no distinction is made between the various population groups. In view of this, health care is a major contributor towards social security in South Africa.

3. *MEDICAL SERVICES OF THE PRIVATE SECTOR*

a. *HEALTH INSURANCE*

There is no national medical insurance programme in operation in South Africa. At the end of December 1982, 227 medical aid schemes were registered in terms of the Medical Schemes Act, 1967, (Act 72 of 1967) and a further 45 industrial medical schemes operated under an agreement in terms of the Labour Relations Act, 1956 (Act 28 of 1956).

b. *VOLUNTARY ORGANISATIONS*

It is a feature of South Africa, as with other democracies, that scope is provided for a wide spectrum of voluntary organisations to take private initiative in providing free health services.

4. *CERTAIN PERSPECTIVES ON HEALTH IN GENERAL IN SOUTH AFRICA*

- *Population groups and disease patterns*

A gradient that exists in the world of today between the highly industrialised and developed nations of the First World and the developing nations of the THird World, constitutes one of the most pressing problems of the eighties. Within the borders of the Republic of South Africa this very problem is replicated, albeit on a smaller scale. The spectrum of humanity found here extends from population groups, which in some rural areas are still embedded in age-old tribal custom and morals, on the one extreme, and a developed and sophisticated urban population, on the other extreme. Between these two extremes with it is shades and nuances, 27 million people live in the RSA.

Accordingly morbidity and mortality profiles vary - in common with the experiences of similar communities in the rest of the world. First World sector exhibits the well-known patterns of chronic and degenerative diseases, whilst the Third World sector is exposed to the triad of considerable population pressures, infectious diseases and nutritional problems.

Health services therefore have to be adapted to the specific needs of the various communities towards whom the services are directed. It follows that certain differences in the relative health status of these communities will certainly be noticed. For evaluating the impact of these health services, the differences are not as important as are the trends of the commonly used health indicators in each of these population groups.

The infant mortality rates, for example, have declined considerably in the last decades, in Blacks from an estimated 206 out of 1 000 live births in 1940 about 90 in 1980. The corresponding figures are from 165 to 62 in the case of Coloureds, from 90 to 20 in Asians and from 48 to 13 in Whites. By the same token the life expectancy at birth has risen in all population groups. For example in males it was 51 years for Asians, 64 years for Whites, 42 years for Coloureds and 41 years for Blacks during the period 1945 - 1947. By 1980 this had improved to 62 years for Asians, 67 years (Whites), 56 years (Coloureds) and 55 years (Blacks).

Through the consistent implementation of a fully operational immunisation programme for many years, some of the vaccine-preventable diseases have almost disappeared in all population groups. Thus, in 1953 some 5 500 cases of diphtheria were notified. By 1982 the figure had dropped to 25 notified cases. In 1983 the consolidated records of the then Department of Health and Welfare indicated that full immunisation coverage had been achieved to protect children against tuberculosis and poliomyelitis in all areas under its direct jurisdiction, by utilising 35 000 immunisation points distributed over the country.

Diseases which still constitute considerable health problems include tuberculosis with several independent indicators all pointing to a sustained decline since the mid-sixties, typhoid fever in certain parts of the country, sexually transmitted diseases and measles.

In the domain of chronic and degenerative diseases, White and Asian groups in this country are alleged to carry mortality rates as high as countries of the affluent and developed societies of Europe and the countries of Northern America. Thus, 75 percent of all deaths among Whites in any year can be attributed to diseases of the circulatory system, the respiratory system and neoplasms. Asians, too, have a high incidence of ischaemic heart disease. In the Black and Coloured groups deaths from infectious diseases still play a prominent role, despite active health education and other preventive measures. In common with comparable populations in England, Scotland, Wales, the USA and Australia, South African Whites, especially those who are economically active, pay a high price in terms of their cause-specific mortality for what are collectively called "destructive life styles", resulting in the predominance of ischaemic heart disease and motor vehicle accidents as leading causes of death.

- *Providers of health services*

Health services are provided by both the private and the public sectors. Overall the annual expenditure on health in roughly R5 455 million (1985), of which very close to half is spent by the public sector via the central Government, the four Provincial Administrations, about 400 Local Authorities and a variety of other Government agencies. Curative hospital services are rendered to all in need thereof in 650 hospitals. Annually 3,5 million persons are admitted and a further 25 million out-patient and/or casualty consultations are provided. The Republic has 138 000 hospital beds available which are run at an average occupancy rate of just on 70 percent.

- *Health manpower*

In 1984 there were 20 369 registered medical practitioners. To illustrate the trend it should be pointed out that in 1980 there were 10 912, in 1960 the figure stood at 7 939 and in 1920 2 234.

Similar increases have occurred in the area of dentists (1 319 in 1960 compared to 3 069 in 1984), registered and enrolled nurses (19 529 in 1960 and 139 567 in 1984) : pharmacists (3 033 in 1960 and 6 513 in 1984) and other paramedical and public health oriented professions (1 410 in 1960 and 17 552 in 1984).

There are seven fully-equipped Medical Schools accommodating about 939 (1983) students graduate per annum. The ratio of population to physician (all doctors, including interns) is about 1 344 : 1, which suggests that the provision of trained medical personnel is adequate, and probably the most favourable in Africa. Although, as in many other countries, the geographic distribution is by no means uniform, so that some urban centres are more than adequately supplied, while some rural areas do not have enough doctors.

- *Health economics*

With the large variety of needs (education, housing, water supplies and infra-structure generally, agriculture and many more) and all having to be met with the available resources, South Africa is forced to cut its health suit according to its cloth. This is best illustrated by the 5,4 percent of its GNP being spent on Health, for this figure lies in the lower range of the 5 - 9 percent spent on Health by countries which are fully developed and industrialised, as compared with the average value of about 2 - 3 percent spent by countries of the Third World.

- *Regional Co-operation*

Notwithstanding a tight budget it has always been a policy of the Republic to render aid to all who ask for it within the stringencies of what is physically possible. Thus, vaccines produced in the laboratories of the RSA have been made available to many African countries for use in both the medical and veterinary fields. Repeated reciprocal scientific meetings were held between the RSA and its neighbours when cholera appeared in the communities of southern Africa. This resulted in a regular exchange of information. South African medical advisors were invited to the Comores to assist with the establishment and development of the health services there. The RSA is in possession of a wide range of health information relevant to African conditions, some of which is in high demand from consumers far beyond the borders of this country and

which is supplied free of charge. The Medical University of Southern Africa always admits a quota of students per annum from countries far afield, e g Uganda. Educational conferences, symposia and workshops are regularly held, to which participants from other African countries are invited and which they regularly attend. A great number of patients in need from outside the borders of the RSA are treated annually in South African hospitals : In 1980, 3 699 from 15 African countries; in 1981, 1 860 while in 1982 the figure was 1 755.

TABLE A

1. ***SELFGOVERNING NATIONAL STATES*** :

DEPARTMENTS OF HEALTH AND WELFARE : BUDGETS FOR 1986 :

GAZANKULU : Population : (1985 census) 494 987

Minister : Salary and Allowance	49 710
Administration (Salaries)	4 149 290
State hospitals	26 912 907
Child Welfare	2 126 250
Home for Aged	236 843
Rehabilitation Services	140 000
Social Pensions and ex-gratia payments	14 585 000
Capital Expenditure	1 859 000
TOTAL	R50 059 000

KANGWANE : Population : (1985 census) 388 783

Salary and Allowance to Minister	49 710
Administration	915 900
State hospitals	19 246 500
Welfare Services	672 800
Nursing Training	249 800
Social Pensions and Ex-gratia payments	10 379 240
TOTAL	R31 513 950

KWANDEBELE : Population : (1985 census) 232 563

Minister : Salary and Allowance	49 710
Administration (Salaries)	136 000
Hospital services	6 616 000
Environmental Services	120 000
Community Psychiatric Services	112 000
Community Health Services	124 000
Dentistry	10 000
Social Pensions	14 503 000
Auxilliary Services	75 000
Welfare Services	90 000
Social Services	169 000
Handicraft Centre	203 000
Child Care (Reform School)	285 000
School Nursing Services	62 000
TOTAL	R22 554 710

KWAZULU (Welfare and Pensions) : Population :
(1985 census) : 3 736 802

Salaries and Allowance 2 685 000	
Subsistance and Transport	669 100
Postal Services	62 000
Printing and Publicatiions	71 600
Miscellaneous Expences	346 200
Subsidies	140 000
Pensions and ex-gratia Assistance	206 265 000
Child Welfare	2 801 800
Settlements for Aged/General Welfare	1 878 000
Training and Employment in Handicrafts	108 300
TOTAL	R215 000 000

KWAZULU (Welfare and Pensions)

Salary and Allowance : Minister	49 710
Salary and Allowance	86 367 000
Subsistence and Transport	4 020 000
Postal Services	457 000
Printing and Publications	247 300
Miscellaneous Services	83 400
Supplies and Services	41 416 000
Equipment	3 718 100
Professional and Special Services	266 000
Subsidies	350 000
Laboratory Examinations and Manufactures	400 000
Mental Health	3 342 000
Tuberculosis	3 657 500
Other Infectious Diseases	63 000
Salary and Allowance : Minister	49 710
TOTAL	R143 464 010

LEBOWA - 86/87 Population : (1985 census) : 1 842 206

Salary and Allowance - Minister	49 710
Administration - Salaries	6 706 140
Hospitals	42 052 780
Missionary hospitals	2 022 720
Medical Care	712 000
Pensions and ex-gratia assistance	70 030 600
Child Welfare	86 190
Care of the Aged	806 160
Related Services	30 700
Buildings and reparis	8 122 000
TOTAL	R130 619 000

QWAQWA : Population (1985 census) : 182 629

Statutory Allocation	49 710
Administration - Salaries	320 000
State Hospitals, Clinics and Health Services	8 160 000
Pauper Relief and Relief of Distress	1 305 000
Child Care	165 000
SUB TOTAL	9 999 710
Social Pensions	13 572 000
TOTAL	R23 571 710

2. ***ADDITIONAL FUNDS FOR THE IMPROVEMENT OF SOCIAL PENSIONS AND ALLOWANCES AS FROM 1 OCTOBER 1986*** :

Gazankulu	3 030 000
KaNgwane	1 979 000
KwaNdebele	2 694 000
KwaZulu	31 958 000
Lebowa	10 893 000
QwaQwa	1 997 000
TOTAL	R52 551 000

3. ***SOCIAL SERVICES IN TRUST AREAS*** : 1986/87 :

Buildings and Equipment	21 349 000
Professional services	18 500 000
Welfare services	3 000 000
TOTAL	R42 849 000

TOTAL :

Gazankulu	50 050 000
KaNgwane	31 513 950
KwaNdebele	22 554 710
KwaZulu	358 464 010
Lebowa	130 619 000
QwaQwa	23 571 710
Pension increase 01/10/1986	52 551 000
Social services	42 849 000
TOTAL	R712 173 380

TABLE B :

BUDGETS FOR HEALTH SERVICES FOR 1985/86 :
(given in Rand value)

Department of National Health and population Development	430 347 000
Administration : House of Delegates Department of Health and Welfare	105 512 000
Administration : House of Representatives Department of Health and Welfare	420 967 000
Administration : House of Assembly Department of Health and Welfare	679 971 000
PROVINCIAL ADMINISTRATIONS :	
Natal Department of Hospital Services	341 313 400
Cape Department of Hospital Services	851 771 000
Orange Free State Department of Hospital Services	208 851 000
Transvaal Department of Hospital Services	937 760 000
TOTAL	2 339 695 400
OTHER STATE DEPARTMENTS : HEALTH SERVICES :	
Police	62 000 000
Prison Services	19 751 650
TOTAL	77 751 650
Ga Rankuwa	57 352 000
Department of Development Aid South African Development Trust	38 045 000
Local Authorities	97 590 205
INDEPENDENT STATES :	
Gazankulu	50 050 000
Kangwane	31 513 950
Kwandebele	22 554 710
Kwazulu	358 464 010
Lebowa	130 619 000
Qwaqwa	23 571 710
	609 782 380
TOTAL	4 861 013 635

TABLE C :

WORLD COMPARISONS OF SELECTED BASIC HEALTH INDICATORS, 1981

World Health Region	Birth rate/1 000 population	Life expectancy at birth (years)	Death rate/1 000 population	Infant mortality rate per 1 000 live births	Hospital beds per 1 000 population	Physicians per 10 000 population
African Region	47	48	18	146	2,0	1,0
Eastern Mediterranean Region	44	52	15	124	1,2	3,6
* SA Blacks	40	58	12	90	4,4	-
South-East Asian Region	38	51	14	131	0,7	2,2
* SA Coloureds	28	52	9	62	4,4	-
Region of the Americas	27	68	9	69	7,5	11,6
* SA Asians	24	63	6	20	4,4	-
Western Pacific Region	23	64	9	34	2,9	4,6
* SA Whites	16	68	8	13	8,3	-
RSA overall						6,3

* World data taken from World Health Statistics, 1981

Enlace sudafricano

SECRET

135 RS

REFERENCE : CB/0067

DATE : 5 February 1987

INTERNAL SECURITY SITUATION

1. The internal atmosphere of unrest has dropped to a level far beyond that which prevailed prior to the proclamation of the general state of emergency on 12 June 1986. The revolutionary onslaught against the RSA is however continuing unabated and radical organisations at home, such as the United Democratic Front (UDF) are proceeding with the planning of specific campaigns that will render stimulus to the situation of unrest.

2. UDF campaigns such as the consumer boycotts and stay-away actions planned for the period 16 - 26 December as part of their "Christmas Against the Emergency" campaign, did not materialise. Likewise, the ANC's terrorist onslaught envisaged for December 1986 foundered owing to preventive action taken by the Security Forces.

3. In the labour field the implementation of emergency measures resulted in decreased radical trade union activities.

4. Restrictions placed on the media precluded negative and sensational reporting on the situation of unrest, which again had a disrupting effect on the campaigns and actions planned by the radicals.

5. The extensive foreign contributions made to church organisations

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such as the SA Council of Churches (SACC), the SA Catholic Bishops' Council (SACBC) and the Institute for Contextual Theology (ICT), however, still enable radical clerics to indoctrinate the church-going public with revolutionary propaganda.

6. Several of the actions planned by the ANC for 1986 failed to occur, however, Oliver TAMBO's presidential message of 8 January 1987 on the occasion of the ANC's 75th anniversary was, for example, characterised by an announcement that 1987 has been declared "The year of advance to people's power" and by appeals to Whites to join the ANC. The ANC's attempts at gaining greater support among whites are based upon three tactical considerations :

- undermining the government's power base
- efforts to give a semblance of moderateness to impress the USA in particular
- to promote the "legitimacy" of the organisation.

7. It is therefore obvious that the introduction of the state of emergency and Security Forces actions that coincided with this made a decisive contribution towards stabilising the internal situation of unrest and to ease the strangle-hold that resistance movements had on a section of the coloureds. It furthermore resulted in a significant disruption of ANC, SACP and UDF actions and campaigns that were planned for 1986.

DATE OF INFORMATION : January 1987
RELIABILITY GRADING : 2

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Enlace Sudafricano
Origen SUDAFRICA Pevla

REFERENCE : B/ 0189

DATE : 16 February 1987

THE REVOLUTIONARY ONSLAUGHT ON SOUTH AFRICA

The acceleration of revolutionary activities is presently the dominant driving force of the political environment in South Africa.

1. Prerequisites for revolutionary activity are the existence of :

   a. A revolutionary climate

      A revolutionary climate has been developing over decades as a result of the consequences of demographic forces (population growth, young population, urbanisation, unemployment, poverty etc), the apartheid ideology (resettlements, influx control, migrant labour system, racial separation in all areas of life) and growing expectations due to better education and revolutionary propaganda. It also requires a crisis in the ruling elite (e g lack of vision, loss of legitimacy).

   b. A revolutionary force or "men of intent"

      Since 1928 the SA Communist Party has used the ANC and later other movements inside South Africa as fronts to further communist activities. The communist objective is to gain control over South Africa by means of a two-phase revolution, first to bring the ANC to power in a "national democratic government" which will subsequently be converted into a Soviet controlled state.

The revolutionary process is launched under the pretext of democracy and freedom, and is concluded with the establishment of a one party state under Soviet influence.

Reasons for Marxist/Leninist interest in South Africa may be the mineral situation and the geo-political position (sea-route and South Africa's dominance in the sub-continent) which may be used as a powerful lever for furthering the international revolution.

c. Ideology

The purpose of an ideology is two-fold - namely as a focus for alignment and as a focus for dissatisfaction with the status quo. The Freedom Charter with the apparent approval of the Central Committee of the Communist Party has been adopted as an interim program for bringing a so-called nationalist democratic government into power. It is a moderate political program which can align almost all opposition to the left of government. It is intended to be replaced with a Marxist/Leninist program for establishing a communist state after the "nationalistic democratic" government has been established.

The overall vision of Communism is the inevitability of world revolution which leads to the establishment of the Classless Society and the replacement of Capitalism with Socialism.

Marxist/Leninists believe that the exploitation of first the colonies and now the Third World has strengthened Western Capitalism. Revolutions in Third World countries, thus, weaken the capitalist West and are necessary for bringing about World Communism.

The nature of this vision is global, expansionistic, long-term, absolutistic ("law-given") and "religious" (inspiring faith).

2. **Revolutionary strategies**

Revolutionary action is not as much an outflow of social engineering as of strategic thinking. The revolutionary has a clear vision of the type of society he wants to achieve, a flexible and well-tried strategic framework and a good understanding of environmental forces. This allows the building up and maintaining of momentum until the final goal is achieved. Revolutions are rarely won or lost by military means, equally if not more decisive, is economic and propaganda warfare.

For Marxist/Leninists, strategy is the practical application of the theory of dialectics. It involves, essentially, the strenghtening of the revolutionary forces and the weakening of the reactive forces until a qualitative shift (the post-revolutionary state and then the Classless Society) has occurred.

The theory of dialectics is essentially a description of how change occurs. It involves three laws :

- Law of unity and contradiction.
- Law of quantitative and qualitative change.
- Law of negation.

From these laws various strategic principles are derived. It is important to note that the principles are in fact the strategy. Ideological indoctrination makes sure that every revolutionary leader understands these principles and is able to apply them in practical situations. The principles are :

- Strategy is change-orientated ("riding the momentum", the <u>status quo</u> is not permanent).
- Strategy is process-orientated (emphasis is on relations, not "things")
- Strategy is "total" (the theory of dialectics is system orientated)
- Strategy is ongoing (the revolution is inevitable, thus there is no defeat only temporary retreat - e g Lenin's ebb and flow of offensive and defensive).
- Strategies are focused on unity (peace alliances) and contradiction (war, divisive strategies).
- Strategy is incremental and "evolutionary" ("victory after victory", stress build-up)
- Strategy is "revolutionary" (e g qualitative change is abrupt and accompanied by violence).

In praxis the strategic principles are applied to weaken the reactionary forces and to strengthen the revolutionary or progressive forces.

3. <u>Weakening of the "reactionary forces"</u> (government, capitalists, the bourgeoisie) by means of isolation, division, alienation, confusing, discrediting, undermining support as well as legitimacy, will to fight and will to and success of reform, among others. This is attempted on three fronts - the military, economic and socio-political front.

- <u>Military strategies</u> focus on the internal engagement of the security forces to combat violence ("people's war" and guerrilla activities), the external engagement on or across the borders to fight and/or pre-empt the infiltration of guerrillas and foreign interests (e g build up of Soviet, Cuban and East-European contingencies) and undermining the support and legitimacy of the defence force through the "End of Conscription Campaign".

- <u>Economic strategies</u> involve mainly boycotts, strikes, industrial sabotage, sanctions, disinvestment and manipulation of debts.

- <u>Socio-political strategies</u> involve a massive national and international propaganda drive to subvert the people by only emphasising the negative aspects of the present socio-economic and political order, by undermining, negating or ridiculing its positive aspects and by condemning the existing system on ethical grounds. This leads to the alienation of the people from the values and institutions of their society (e g relativisation of values through liberation theology, undermining confidence in institutions, etc).

  Socio-political strategies also involve the isolation of the various institutions/structures of the existing system by means of the severence of diplomatic, sports, cultural and scientific ties, etc and the use of courts.

4. <u>Strengthening of the progressive forces</u>. This implies establishing a power base for the revolutionary by means of :

   - <u>Ideological strategies</u> :
     Propaganda, subversion and ideological indoctrination (people's education) are used to strengthen the position of the revolutionary and win people over to their cause.

   - <u>Alliances</u> :
     Broad alliances (UDF, National Forum) are used to align all organisations on the left of government in opposition to government.

   - <u>Action committees</u> :
     Other temporary alliances are created around topical political or bread-and-butter issues. They serve to mobilise people and keep up the momentum.

- Mass movements ("people-power") :
The mobilisation and organisation of the total population is achieved by means of mass movements. The purpose of hierarchically structured mass movement is to establish total control over every single person in their place of school (by means of Student Representative Councils, Education Crisis Committees and Parent-Teacher-Student Associations), at work (through Trade Unions, including an Unemployed Workers Movement), at the place of residence (through Civic Associations) and during leisure activities (Youth and Women's Movements). These different organisations are responsible for organising and conducting different campaigns.

- Both, democracies and totalitarian states are characterised by hierarchial organisation. However, in democracies the will of the people flows from the bottom to the top through elected representatives, and accountability flows from the top down. In totalitarian regimes this flow is reversed and the will flows from a central agency down to each person while accountability regarding the execution of the order flows up. The reason why people submit to this may be voluntary (through identification with the revolutionaries' goal) or by being forced to obey through intimidation. People's Courts play an important role in intimidation. In South Africa intimidation practices include necklacing", hacking to death, whipping, burning of houses, confiscation of consumer goods, furniture, vehicles, etc; and threats of killing the family amongst others.

- Guerrilla warfare
Initially guerrilla activity is aimed at government institutions (attacks at Koeberg, Sasol, etc), at government personnel (the killing of Black policemen and councillors) and later increasingly at civilians (through

car bombs, limpet mines, attacks on isolated farms, etc). This is not so much the outflow of guerrilla warfare as of "armed propaganda".

Before 1980 terror incidents amounted to an average of less than 20 per annum. Between 1980-1984 this increased to 48 per annum and 1985 to 136 incidents per annum.

As increasing numbers of trained guerrillas are entering the country, increasing numbers are trained locally and the mass organisations are used to incite people to arm themselves - the "guerrilla war" extends into mobile warfare or a "people's war", which ends with the capitulation of the target government and the installation of a new revolutionary regime.

DATE OF INFORMATION : November 1986
RELIABILITY GRADING : 2

RS 135

Enlace Sudafricano Perla

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REFERENCE : B/ 0177

DATE : 20 February 1987

ZAMBIA : CABINET CHANGES

1. On 28 January 1987 in Lusaka Pres Kenneth KAUNDA announced a number of changes in Zambia's Cabinet. Prime Minister MUSOKOTWANE is to hold an additional portfolio, that of Finance and Development Planning while Basil KABWE (former Minister of Finance) was appointed Minister of Education and Culture in the place of Arnold SIMUCHIMBA - who has been appointed Minister of Presidential Matters.

2. Henry MEEBELO was appointed as Pres KAUNDA's Political Advisor in the place of Paul LUSAKA. Mr LUSAKA [illegible] transferred to the Department of Foreign Affairs. [illegible] a large number of promotions in the Zambian security forces were also approved.

3. **COMMENT**

Pres KAUNDA's concern about Zambia's economic problems is reflected in the promotion of the portfolio's of Finance and Development Planning to the Office of the Prime Minister. The post of Prime Minister is the third most important in Zambia after the President and the Secretary-general of the United National Independence Party (UNIP).

DATE OF INFORMATION : February 1987
RELIABILITY GRADING : 2

Enlace Ind. Perlu

SECRET

REFERENCE : B/ 0171

DATE : 20 February 1987

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SOMALIA : BORDER WITH ETHIOPIA CLOSED

1. Somalia closed its border with Ethiopia and introduced strict security measures in the north of the country after 10 French medical workers were abducted from a refugee camp in northern Somalia on 23 January 1987 to Ethiopia where they are apparently being detained.

2. On 28 January 1987 Mr F WIBAUX (a special envoy from Pres Jacques CHIRAC of France) arrived in Addis Ababa (Ethiopia) to negotiate the release of the captured workers with the Ethiopian authorities. According to French diplomatic sources he will try to arrange a meeting with the Ethiopian leader, Pres MENGISTU.

3. ELUCIDATION AND COMMENT

   a. The captured French workers were members of a medical organisation, Medicins sans Frontières (MSF), employed together with the UN High Commissioner for Refugees (UNHCR).

   b. No particular group has thus far claimed responsibility for the abduction. According to diplomatic observers in Somalia the Somalian opposition group, the SNM (Somali National Movement supported primarily by Ethiopia and operates in Northern Somalia) is responsible for the abduction and for the current tension in that region. An SNM spokesman said on 28 January 1987 that the Chairman of this movement (a former Ministe. of Trade during the BARRE regime) would soon be making an announcement concerning the incident.

   c. The abduction could have a detrimental effect on peace negotiations between Somalia and Ethiopia which began in January 1986 subsequent to previous border disputes and clandestine Ethiopian support for the SNM.

DATE OF INFORMATION : February 1987
RELIABILITY GRADING : 2

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Enlace fotoficante Perla

REFERENCE : B/ 0172

DATE : 20 February 1987

MOROCCO : PROPOSED OFFICIAL VISIT BY HASSAN TO BRITAIN

1. King HASSAN II of Morocco will make an official visit to Britain from 14 to 17 July 1987 on invitation of Queen Elizabeth II. It will be HASSAN's first official visit to Britain.

2. COMMENT

This visit is a further indication that HASSAN wants to normalise his country's relations with Western countries, after the discontinuation of the "Marocco-Lybia amalgamation agreement" in August 1986. The agreement caused tension between Marocco and it's Western allies.

DATE OF INFORMATION : February 1987
RELIABILITY GRADING : 2

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JUNTA DE COMANDANTES EN JEFE
SERVICIO DE INFORMACION DE LAS FF AA
DEPARTAMENTO II (EXTERIOR)
Fecha de Entrada 15/12/86
Fecha de Salida 13.5.87
Pasa a ... archivo
Nº. de Identificación 0036/86

REFERENCE : CB/ 8335

DATE : 25 November 1986

PEOPLE'S REPUBLIC OF CHINA / AFRICA RELATIONS

1. Although the People's Republic of China (PRC) continued to emphasize the importance of their relations with African countries, a relatively low profile was maintained during the last two years. This was probably the direct result of the PRC's new pragmatic policy towards Africa as stated by vice-premier LI PENG in 1984. This new policy is based on a realisation by Beijing that it has limited resources, and that financial support to Africa can not be extended indefinitely. Furthermore the PRC are unable to undertake further prestigious projects such as the TAZARA railway in Tanzania and Zambia. LI PENG declared that future aid will be concentrated on :

- * Assistance programmes whereby Beijing will provide as much aid as it can afford. The emphasis will however be shifted to projects which need less investment, produce immediate gains and return more practical results.
- * The provision of the necessary technology for projects while funds will be supplied by the countries concerned.
- * The establishment of joint enterprises in Africa and on the Chinese mainland.
- * The provision of labour.
- * The expansion of trade.
- * Bilateral technological cooperation whereby experts will be sent to Africa to instruct the population in the spheres of silkworm breeding and rice production.
- * The provision of administrative tecnology. In this regard Beijing will provide experts to assist African countries with the management of established projects.

2. The low profile is also illustrated by the small number of reciprocal visits that took place during the last two years. The only high level visits were those of ex-president NYERERE of Tanzania and Premier MUGABE of Zimbabwe. On a lower level, a few agricultural and political delegations from Tanzania and Zambia visited the mainland whilst a vice minister from Beijing undertook a visit to southern Africa.

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3. The PRC however, remained active in the spheres of counter-insurgency, military training, technical assitance, agricultural cooperation, construction, provision of medical personnel and maintenance of railways. Regarding the last-mentioned, the PRC Vice-minister of Economics and Trade visited Tanzania during August 1986 and promised additional financial and material support for the TAZARA railway in order to ensure inter alia that TAZARA remains a southern African exhibition of the PRC.

4. At this stage China is most active in Zimbabwe, especially in the military sphere. Members of the Zimbabwean Air Force (ZAF) receive training at the Xinyang Air Technicians School whilst an estimated 45 Chinese instructors who arrived in June 1986 are assisting with the integration of F-7 aircraft into the ZAF. The ZAF originally requested 25 F-7's during MUGABE's visit in August 1985, of which an unknown number has already been delivered. Apparently a number of Chinese soldiers were sent to Zimbabwe subsequent to South African operations against ANC targets in Harare. The first groups of PRC medical personnel arrived in August 1986 at the Chitangwiya General Hospital in Zimbabwe.

DATE OF INFORMATION : November 1986
RELIABILITY GRADING : 2

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REFERENCE : CB/0362

DATE : 23 April 1987

Enviel Ludofuienno

ZIMBABWE : SECURITY SITUATION

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1. The security situation in Zimbabwe is still dominated by the acitivites of dissidents in mainly Matabeleland. The number of incidents fluctuates between 50 and 150 a month and figures released by the Zimbabwean security forces showed that 68 dissidents were killed during 1986, while dissidents killed 116 civilians, raped 74 women and abducted 9 schoolchildren. It appears, however, as if the security forces are in control of the situation. The Government is hoping that the dissident activities would cease once unity between ZANU(PF) and ZAPU has been reached.

2. The Zimbabwean government seems to be confronted by a new security threat after RENAMO's so-called declaration of war. Although the government at first virtually ignored the declaration, it now appears as if there is indeed some concern about the security situation in the provinces bordering Mozambique.

3. Zimbabwe's involvement in the war in Mozambique is aimed mainly at protecting its trade routes through the Beira corridor although ideological reasons and moral obligations also play a role. The ZNA is experiencing considerable difficulty owing to insufficient communications and lack of cooperation between the ZNA and the Mozambican Army (FAM), causing tremendous operational problems. This has led to a low morale among the troops which has in turn necessitated regular troop changes. It is not known how many losses the ZNA has suffered since its involvement in Mozambique. The cost of the war certainly puts a huge burden on the Zimbabwean economy. However, MUGABE is not prepared to scale down the ZNA's involvement and has declared Zimbabwe's total commitment to the war. This commitment stems from a belief that a RENAMO-governed Mozambique would spawn "counter-revolutionary" activities in Zimbabwe.

DATE OF INFORMATION : April 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0390

DATE : 23 April 1987

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TANZANIA : EFFORTS TO RAISE DEFENCE POTENTIAL

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1. The Tanzanian government is apparently raising the defence potential of the Tanzanian Defence Force (TPDF) and endeavouring to secure international military aid in respect of the country's involvement in Mozambique.

2. The Tanzanian Minister of Defence, Mr Salim Ahmed SALIM, visited Yugoslavia and Bulgaria towards the end of December 1986. Although little is known about these visits, there are indications that in both cases military aid was requested. In London during January 1987 SALIM attempted to procure military aid from various Western countries. In the course of SALIM's visit to Egypt during February 1987 the focus was mainly on the possible promotion of military collaboration between the two countries.

3. Limited military aid was received from Canada, Cuba and the USSR. Military equipment from the Soviets was unloaded at Dar es Salaam by the end of December 1986, while Cuba donated a vessel for the transportation of heavy armament to Mozambique. There are currently about 25 Soviet technicians involved in the construction of a radar station in north-eastern Tanzania.

4. COMMENT

   a. Tanzania's attempts at expanding its defence potential are related to Tanzanian involvement in Mozambique rather than the alleged threat "that South Africa is posing to Tanzania". This notion gained ground after Tanzania became actively involved in Mozambique.

   b. Although the Tanzanians have not been successful in their attempts to obtain military aid, they are bound to persist with such attempts since they need to support approximately 2 000 Tanzanian troops in Mozambique.

DATE OF INFORMATION : April 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0385

DATE : 23 April 1987

Ansabt

TUNISIA : SEVERS DIPLOMATIC TIES WITH IRAN

Tune 2 (132)

On 26 March 1987 the Tunisian government officially announced that all diplomatic ties with Iran had been severed as a result of "subversive" activities perpetrated by the Iranians via their embassy in Tunis. Iran had also tried to recruit Tunisian extremists residing in foreign countries for acts of subversion in Tunisia so as to create religious unrest there and ultimately bring about the overthrow of Pres BOURGUIBA's government.

DATE OF INFORMATION : April 1987
RELIABILITY GRADING : 2

SECRET

REFERENCE : B/ 0341

DATE : 9 April 1987

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ZIMBABWE : CONSTITUTIONAL CHANGES FOR 1987

1. Zimbabwe's controversial Lancaster House Agreement, as approved on 21 December 1979 during the Lancaster House talks in Britain, will apparently undergo significant changes towards the middle of 1987. Since the beginning of 1987 several members of the Cabinet and the Politburo have increasingly referred to proposed changes in the Constitution.

2. These changes include :

- the removal of the 20 reserved parliamentary seats for Whites
- the appointment of an executive President
- the dissolution of the Senate and the institution of a single legislative body
- the allocation of fixed working hours for members of parliament.

3. The entrenched clauses in the Constitution mainly protect the Declaration of Human Rights and White minority representation. It is stipulated that up to April 1987 White representation can only be annulled by a unanimous vote in Parliament. As from April 1987 to 1990 White representation can be annulled, if carried by a 70 percent vote. After 1990 all reservations cease subject only to a majority vote.

4. The concept of 20 reserved seats for Whites (which was strongly opposed at the Lancaster-House talks, but later adopted as a compromise) is viewed by the government as undemocratic, since it would grant a 20 percent parliamentary representation to less than one percent of the population. Another aggravating aspect, as far as the Government is concerned, was the victory of Mr Ian SMITH's Conservative Alliance of Zimbabwe (CAZ) in the July 1985 elections, when the CAZ won 15 of the 20 reserved seats, together with the "defiant and unreconciled attitude" of the CAZ towards the Government. According to Nathan SHAMUYARIRA (Minister of Information) the ruling ZANU(PF) Party and the official opposition, ZAPU, have come to an agreement that ZAPU, with its 15 seats, would support ZANU(PF), with its 64 seats, in order to procure the required 70 per cent vote for a constitutional removal of the seats for Whites.

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5. According to SHAMUYARIRA, the institution of an office of executive President - an ideal cherished by Premier Robert MUGABE - would not effect radical changes, since MUGABE already has such executive powers.

6. The reason for having fixed working hours for members of Parliament is to ensure that they exert effective control over development projects in Zimbabwe.

7. The proposed amendment of the Constitution in 1987 represents a major step in the government's efforts to turn Zimbabwe into a one-party state, although reconciliation between ZANU(PF) and ZAPU remains a matter of crucial importance. Even if the seats for Whites are to be removed, the CAZ may continue to exist as a party until such time as a one-party state has been declared, since the Declaration of Human Rights makes provision for freedom of political association and the right to form political parties.

8. Although the removal of the seats for Whites is bound to have a negative effect on White morale, it is improbable that it would lead to a large-scale exodus of Whites. It would rather increase the current political apathy among Whites.

DATE OF INFORMATION : March 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0349

DATE : 9 April 1987

TOGO : *PRIVATIZATION OF THE ECONOMY*

The Togolese government is conducting discussions with several foreign companies (unidentified) in order to privatize more foreign state-controlled companies. The government is apparently satisfied with the results obtained with the privatization initiative which was launched in 1984 and included businessmen from countries such as Germany, Sweden, America, South Korea and France.

DATE OF INFORMATION : March 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0350

DATE : 9 April 1987

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MADAGASCAR : ETHNIC TENSION

1. On 6 March 1987 the Madagascar Armed Forces moved into the Indian suburbs on the outskirts of the capital, Antananarivo, after riots had erupted during which Indian shops and houses were plundered and set alight out of revenage for the relative wealth which the Indian community enjoys in Madagascar. Hundreds of Indians are already making arrangements to leave the country.

2. COMMENT

The Black population of Madagascar are antagonistic and jealous of the Indian community of approximately 25 000, due to its control of the retail trade. Although racial tension is bound to remain latent in Madagascar, it is not forseen that the riots will have any effect on the political stability of the country. The Indian community constitute a small portion of the population.

DATE OF INFORMATION : March 1987
RELIABILITY GRADING : 2

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REFERENCE : B/ 0393

DATE : 23 April 1987

NAM : MEETING OF THE COMMITTEE FOR PALESTINE

1. The Non-Aligned Movement Committee for Palestine (NAM) met on 14 and 15 April 1987 in Harare, Zimbabwe, under the chairmanship of Zimbabwe. The meeting was requested by Yasser ARAFAT (leader of the PLO) with the purpose of discussing matters relating to the Palestinian issue and the fate of Palestinian refugees in Lebanon.

2. The foreign ministers of the nine member states comprising the Committee for Palestine, i e Zimbabwe, Zambia, Senegal, Algeria, Yugoslavia, India, Bangladesh, Cuba and the PLO were to have attended the meeting.

3. REQUEST

Any further information would be appreciated.

DATE OF INFORMATION : April 1987
RELIABILITY GRADING : 2

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REFERENCE : B/ 0394

DATE : 23 April 1987

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MOZAMBIQUE : HARBOUR PROJECTS FOR BEIRA

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1. On 24 March 1987 the Chairman of the Beira Corridor Authority (BCA), Rui FONSECA, submitted the priority projects in respect of the Beira Corridor Development Plan to a delegation of 37 businessmen from the Zimbabwe National Chamber of Commerce (ZNCC). The plans include dredging of the Macuti Channel lending access to the harbour and the repair of quays 2 to 5.

2. According to FONSECA this channel has to be dredged from the current depth of 6 metres to a depth of 8,5 metres in order to accommodate ships with a maximum tonnage of 50 000 compared to the current capacity of 25 000 tons. He said the Netherlands would provide the US$13,4 million necessary for completion of this project.

3. He also maintained that quays 2 to 5 would have to be entirely rebuilt at an estimated cost of US$63,5 million, which would be provided by the European Community (EC). The new quays include a modern, multi-purpose container terminal. It is envisaged that work on the project will commence during September/October 1987.

DATE OF INFORMATION : April 1987
RELIABILITY GRADING : 2

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REFERENCE : B/ 0396

DATE : 23 April 1987

135 HOLANDA

THE NETHERLANDS : RESTRICTIONS ON THE INFLUX OF REFUGEES

1. The Dutch government intends submitting to parliament certain legislation aimed at restricting the influx of refugees into the Netherlands. Remark : The legislation is directed particularly against refugees who seek asylum in the Netherlands for so-called economic reasons.

2. According to the proposed legislation, government grants to refugees will be cut by 50 percent while the time limit on applications for political asylum is also to be reduced.

3. COMMENT

There are indications of growing discontent in West European circles, particularly with the influx of refugees from Third World countries. Belgium, the FRG, Britain and Denmark have already introduced restrictive measures.

DATE OF INFORMATION : April 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0311

FIELD REPORT

DATE : 2 April 1987

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ZIMBABWE : VISIT TO THE USSR

1. According to unconfirmed information a Zimbabwean delegation led by Maurice NYAGUMBO (Minister of Political Affairs) and Emmerson MUNANGAGWA (Minister for Security) visited the Soviet Union during March 1987 with the major aim of procuring sophisticated military equipment from the Soviets.

2. COMMENT

The Zimbabweans postponed a visit to the Soviet Union which they had planned for early March 1987 - and which involved weapons procurement to the value of US$560 million from the USSR, including an air defence system and two MIG 29 aircraft. Their delegation would have comprised officials from the Military, Security and Foreign Affairs departments) but was postponed after it was allegedly intimated that such a visit might have detrimental effects on Zimbabwe/USA relations and on continued development aid from the West.

3. REQUEST

The first visit which was postponed could possibly have been realised within this recent visit. We would appreciate any information that could, in the first instance confirm the abovementioned visit and, secondly, to substantiate the military aspect of the said visit.

DATE OF INFORMATION : March 1987
RELIABILITY GRADING : 3

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REFERENCE : B/0340

DATE : 9 April 1987

BOTSWANA: PROSPECTS FOR ECONOMIC GROWTH DURING 1987

1. The constant increase in Botswana's gross national product (GNP) which prevailed over the past two years will probably not continue. Diamond prices on the world market have stabilized, after frequently having risen sharply during the past two years, and Botswana's diamond mines have reached optimum production levels.

2. From the time that Botswana's diamond mines were put into operation (primarily by means of South African capital investment) the country has succeeded in maintaining a steady growth rate. For example, during the past two years a growth rate of 10 percent per year was attained. The fact that in 1983 Botswana was rated the world's third largest producer of diamonds and that diamond exports represent about 80 percent of the country's total export earnings illustrates the importance of diamond production to Botswana's economy. The real economic growth rate could actually decline, considering the dominant role played by the diamond industry in Botswana's economy and that the Jwaneng mine (prime producer, mainly gem stones) has now reached its maximum production capacity. Factors that could contribute to this trend are : lower world market prices for copper and nickel predicted for 1987 (also rather important export products of Botswana) and the decline of meat production because of persistent drought conditions.

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3. These drought conditions, which have since 1981 continued almost uninterrupted in Botswana's major agricultural sectors, have compelled the country to import approximately 85 percent (160 000 tons) of its total annual wheat requirements, mainly from South Africa. Drought conditions evidently have adverse effects on the largest part of the population since about 75 percent of Botswana's economically active people are engaged in agriculture.

4. Job creation in the rural areas of Botswana, where about 45 percent of the labour force are already unemployed, is also affected by these conditions. Consequently an increasing amount of people from rural areas seek a livelihood in the urban areas, which aggravates the unemployement situation and accompanying socio-economic issues such as housing and education. The total labour force is increasing by an estimated 21 000 workers per year. Even at the current high growth rate, less than 50 percent of the new applicants that enter the labour market each year are successful in finding employment. Consequently Botswana will, to a certain degree, remain dependent on the annual employment opportunities offered by the South African mining industry. Approximately 21 000 Botswana citizens will be adversely affected by the full implementation of sanctions against the Republic.

DATE OF INFORMATION : March 1987
RELIABILITY GRADING : 2

REFERENCE : B/ 0325

DATE : 2 April 1987

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UGANDA : POSSIBLE OIL IMPORTS BY MEANS OF BARTER TRADE

At a press conference on 3 March 1987, after his visit to Libya, President Yoweri MUSEVENI of Uganda reiterated his interest in importing products, particularly oil, from Libya by means of the barter trade. Remark : The country's annual oil imports amount to US$80 million.

DATE OF INFORMATION : March 1987
RELIABILITY GRADING : 2

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REFERENCE : B/ 0287

DATE : 26 March 1987

TANZANIA : RECENT ECONOMIC EVENTS

1. LONRHO RESUMES CONTROL OF FORD PLANT

a. During January 1987 the British multi-national firm, LONRHO confirmed that it had resumed control of the Ford heavy duty vehicles plant in Tanzania, gained total control of the Mwanza breweries and obtained a 75 percent share in the Mufindi tea plantation.

b. Comment :

- This is probably a direct result of the offer Tanzania made to LONRHO early in 1986, to the effect that compensation would be paid for any losses suffered on account of the nationalisation of business concerns, inter alia the Ford plant and the Mufindi tea plantation. LONRHO undertook to invest such compensation in the Tanzanian economy.

- Economic problems (eg lack of foreign exchange, spares and fuel) are forcing Tanzania to follow a more pragmatic economic policy in order to encourage foreign investments.

2. PRESIDENT ENCOURAGES PRIVATE INVESTMENT

a. In February 1987, during the opening ceremony of a private concern (no further details available) Pres Ali Hassan MWINYI of Tanzania urged foreign investors to invest in his country and to start new projects.

b. Comment :

- The British multi-national firm, LONRHO, was one of the first private concerns to participate in the Tanzanian economy after the pragmatic economic reform programme was announced in July 1986. In spite of this there has been only limited progress in the field of private investment in Tanzania.

- President MWINYI seems fully aware of the significant role the private sector can play in Tanzania's economic recovery.

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3. **FUNDS REQUIRED FOR TAZARA RAILWAY**

a. On 15 February 1987 at a donors' conference in Dar-es-Salaam (Tanzania) the TAZARA authorities indicated that about US$179,6 million was required for the purchase of inter alia 27 new diesel-electric locomotives, 1 050 railway trucks and 58 Chinese repowering locomotives and for upgrading rolling stock.

b. This conference was attended by representatives from inter alia the EC, the US Agency for International Development (USAID), the Canadian International Development Agency (CIDA), the Norwegian Agency for Development (NORAD), the Finnish International Development Agency (FINNIDA), the African Development Bank (ADB), Australia and France. *Remark* : Although the potential capacity of the TAZARA railway is approximately 2,5 million tons per year, only 1,2 million tons a year are being transported.

DATE OF INFORMATION : March 1987
RELIABILITY GRADING : 2

SECRET

REFERENCE : B/ 0282

DATE : 26 March 1987

735

ZIMBABWE : RECENT ECONOMIC EVENTS

1. AID PROTOCOL WITH FRANCE

a. The third aid protocol between Zimbabwe and France commenced at the end of 1986 with the signing of equipment supply contracts to the value of US$38 million to the public and private sectors.

b. The trade representative at the French embassy in Harare said that the total amount of US$82,5 million for which provision was made in the protocol, should be allocated and transferred within the first quarter of 1987.

2. DEVELOPMENT OF AIRPORT

According to reports in Harare three British companies were commissioned to draft a master plan for the development of the international airport at Harare, over the next 20 years. An estimate will be made of the possible increases in passenger and freight traffic according to which the development of the airport and its infratructure will be planned in phases. Remark : Tariffs for airline tickets from Zimbabwe to all foreign destinations are being increased by 45 percent from 1 April 1987, while tariffs on internal routes are being increased by 10 percent.

3. SHORTAGE OF COKE

Zimbabwe is currently experiencing a shortage of Coke due to a 13 months maintenance period that commenced in August 1986 during which Coke ovens at the Wankie Colliery are being upgraded. Remark : Coke is a strategic product in the country's steel indstry. The Wankie Colliery supplies Zambia and Zaire with Coke on contract, which compelled Zimbabwe to import Coke to the value of US$9 million on an annual basis from South Africa in order to honour the agreement during the upgrading process.

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4. **ANTICIPATED RECORD COTTON CROP**

The President of Zimbabwe's Commercial Cotton Growers' Association (CCGA), Peter HENDERSON, said recently that a record cotton crop of 320 000 tons of seed cotton is expected for 1987. Remark : The previous record crop in 1985 amounted to 280 000 tons. Cotton is Zimbabwe's fourth most important export product after tobacco, gold and ferro-alloys, and represents about 10 percent of the country's export earnings.

5. **INCREASE IN ZNR'S BUDGET DEFICIT**

a. The Zimbabwe National Railways (ZNR) has a US$57,5 million budget deficit for the fiscal year ending June 1986. This amounts to a 35 percent increase on the previous year's deficit.

b. Managing Director of the ZNR, John AVERY, attributed this increase to higher operation costs and interest payments on debts, the depreciation of the Zimbabwe dollar and raised salaries and pensions.

6. **BARTER TRADE TRANSACTION WITH GDR**

a. In February 1987 Zimbabwe signed a barter trade transaction with the German Democratic Republic (GDR) whereby tobacco will be exported to the GDR, while plastic, chemicals, glass, machinery for the industrial, agricultural and mining sectors as well as raw materials for the manufacture of fertilizer will be imported from the GDR.

b. Comment :

This is probably a result of an economic cooperation agreement between Zimbabwe and the GDR in June 1985 whereby attempts would be made to expand barter trade between the two countries. Barter trade serves to improve Zimbabwe's position with regard to the current foreign exchange shortage experienced in that country.

DATE OF INFORMATION : March 1987
RELIABILITY GRADING : 2

SECRET

REFERENCE : B/ 0280

DATE : 26 March 1987

ZAMBIA : RECENT EVENTS

1. STATEMENTS REGARDING DEBT PROBLEMS OF UNDERDEVELOPED STATES

   a. Zambia's Prime Minister and Minister of Finance, Kebby MUSOKOTWANE, said on 16 February 1987 that developed states should consider cancelling the debts of underdeveloped states in order to assist such states to restructure their economies.

   b. According to MUSOKOTWANE the IMF should relax its loan policy since it leads to a debt accumulation and problems with regard to debt repayment.

2. BLAMING SOUTH AFRICA

   a. On 23 February 1987 Zambia's Minister of State for Defence and Security, Mr A SHAPI, issued a press statement in which South Africa was accused of being responsible for the bomb blast that same day at a post office in Lusaka. He claimed that Zambia had received warning in this connection from its "intelligence sources". However, Pres KAUNDA was not prepared to make a statement before he had received the full report on the explosion.

   b. Comment :

      This accusation is probably an attempt to prevent the explosion from being associated with the present political dissatisfaction in Zambia.

3. MEMBERS OF PARLIAMENT DISSATISFIED WITH GOVERNMENT POLICY

   a. Considerable dissatisfaction prevails in the Zambian Parliament on account of the government's inability to ease the country's socio-economic problems.

   b. Two members of Parliament, Mrs E CHANDE and Mr Lawrence SINYANI voiced their disaproval of the Zambian government being in favour of economic sanctions against South Africa in spite of the fact that the people of Zambia were severely affected by the weak economy. Mr SINYANI said that Zambia should not follow the "humanism" tendency and endeavour to "liberate" other countries, while its own people had to bear the brunt of the prevailing economic situation.

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c. During a session held on 13 February 1987 more members of parliament called upon the Government to rationalise the ruling United National Independence Party (UNIP) and the Zambia's administration. These members maintain that UNIP was losing support because of senior officials squandering money, while stringent economic reform measures were constantly demanding greater sacrifices from the population. *Remark* : The above-mentioned parliamentarians later according to the Constitution and parliamentary privilage defended their rights to criticise policy aspects and emphasized that their views should not be interpreted as disloyalty to UNIP.

4. POSSIBLE REDUCTION OF FOREIGN AID OWING TO CHANGES IN THE EXCHANGE AUCTION SYSTEM

a. The Director of the United States Agency for International Development (USAID), Ted MORSE, has stated - in view of changes in the foreign exchange auction system announced by Pres KAUNDA of Zambia on 28 January 1987 - that the altered system no longer determined the value of the kwacha according to market factors. As a result of this, various countries and international organisations (such as the IMF) are, according to MORSE, suspending their aid to Zambia until more clarity has been obtained concerning the new system.

b. Elucidation and comment :

- The changes involve the following

  * the value of the kwacha is fixed at between 9 and 12,5 kwacha per US dollar

  * the value of the kwacha is periodically adjusted in respect of a package of five monetary units (i e the US dollar, the pound sterling, the German mark, the Japanese yen and the rand) by the Zambian Reserve Bank and the Department of Finance

  * the weekly foreign exchange auction system will be used only for determining currency allocations to the private sector.

- The original auction system inter alia resulted in a sharp decline in the value of the kwacha. The resultant rise in the cost of living and dissatisfaction among the people, leading in some cases to public rioting, probably forced KAUNDA to effect these adjustments.

DATE OF INFORMATION : March 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0276

DATE : 26 March 1987

135

JAPAN : MARKED DECREASE IN SUPPORT FOR THE NAKASONE ADMINISTRATION

1. Opinion polls undertaken in February 1987 by the Jiji news agency and the Yomiuri Shimbun (the largest newspaper in Japan, with a circulation figure of five million), show a marked decrease in support for the NAKASONE administration since December 1986 (see Appendix A). Remark : The abovementioned news agency and newspaper have undertaken reliable opinion polls in the past.

2. ELUCIDATION AND COMMENT

   a. This is the first time during the past three years that the majority of the respondents are dissatisfied with the government, and only seven months after the ruling Liberal Democratic Party (LDP) obtained the largest election victory in Japanese history.

   b. This change in opinion can probably be ascribed to the recent attempts by the NAKASONE administration, to introduce (as part of fiscal reforms) an indirect form of sales tax (VAT), and the decision to lift the restriction on military spending (limited to 1 percent of the Gross National Product). This could restrain Prime Minister NAKASONE's political appeal for the rest of his term, which ends in October 1987.

DATE OF INFORMATION : March 1987
RELIABILITY GRADING : 2

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APPENDIX A

JAPAN : RESULTS OF OPINION POLLS

	JIJI OPINION POLL		YOMIURI SHIMBUN OPINION POLL	
	87	86	87	86
	%	Percentage of change	%	Percentage of change
SATISFIED	25,5	−12,5	38,1	−9,5
DISSATISFIED	41,5	−6,0	45,5	−10,8
OTHERS	33,0		16,4	
TOTAL	100,00		100,00	

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REFERENCE : B/ 0353

DATE : 9 April 1987

135

YUGOSLAVIA: STATE OF UNREST

1. On 23 March 1987 (during an interview with the country's major newspapers) Premier Branco MIKULIC of Yugoslavia, warned that the authorities would be compelled to use all means at their disposal should the current state of unrest in the country threaten the continued rule of the Communist Party.

2. COMMENT

There have been wide-spread riots and strikes in Yugoslavia since MIKULIC announced a wage-freeze in February 1987 in an attempt to ease the country's economic problems, eg an inflation rate of close to 100 per cent, foreign debts amounting to about US$20 billion and low productivity, particularly in the industrial sector.

DATE OF INFORMATION : March
RELIABILITY GRADING : 2

SECRET

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REFERENCE : B/ 0400

DATE : 23 April 1987

KENYA : POSSIBLE RESTRICTIONS ON THE MEDIA

1. On 30 March 1987, during a meeting of the ruling Kenya African National Union (KANU) it was announced that the government was considering censorship on foreign reporting since Kenya would no longer tolerate the "smear campaign" of foreign journalists against Kenya.

2. **COMMENT**

Since February 1987 the Kenya government has been taking steps against the press because of increasingly negative criticism in their reporting of the arrest and detention of members of the underground Mwakenya Movement who oppose the Kenya government. Foreign television teams have been ordered to have their films developed in Kenya and submitted for government approval before distribution. The presence of foreign journalists will be reduced to a more "manageable" number.

DATE OF INFORMATION : April 1987
RELIABILITY GRADING : 2

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REFERENCE: B/0317

DATE : 2 April 1987

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ROUMANIA : CEAUCESCU VISITS SOUTHERN ASIAN STATES

1. During March 1987 Pres Nicolae CEAUCESCU of Roumania visited Nepal, India, Bangladesh and Burma. In the course of these visits bilateral cooperation agreements in the economic, scientific and technical fields were signed.

2. COMMENT

   These visits are probably a continuation of Roumania's efforts to pursue an independent foreign policy in spite of its Warsaw Pact membership and association with the Soviet Bloc.

DATE OF INFORMATION : March 1987
RELIABILITY GRADING : 2

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REFERENCE: B/ 0320

DATE : 2 April 1987

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BELGIUM : STRICTER INFLUX CONTROL IN RESPECT OF REFUGEES

1. On 12 March 1987 the Belgian Parliament passed legislation to restrict the influx of refugees to this country. According to this legislation airlines will be fined if they fail to check whether travellers have the necessary documents before allowing them to board aircraft destined for Belgium.

2. COMMENT

Other West European governments (including Britain, France, the FRG and Switzerland) are becoming increasingly concerned about the influx of refugees, particularly from Africa, Iran, Turkey and Pakistan, and have already taken, or are planning to take, restrictive measures in this regard. Moreover, resistance to the presence of foreigners is steadily increasing among the peoples of Western Europe.

DATE OF INFORMATION : March 1987

RELIABILITY GRADING : 2

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REFERENCE : B/ 0397

DATE : 23 April 1987

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NEW ZEALAND : STATEMENTS ABOUT THE ANC

1. On 27 March 1987 Premier David LANGE of New Zealand said with reference to Oliver TAMBO's proposed visit to this country (12 - 19 April 1987) inter alia that New Zealanders would have the opportunity "of gaining firsthand knowledge about the ANC's efforts in South Africa".

2. COMMENT

TAMBO's visit and LANGE's statements are probably aimed at confirming the New Zealand government's declared intention of promoting relations with "liberation movements" in southern Africa.

DATE OF INFORMATION : April 1987
RELIABILITY GRADING : 2

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REFERENCE: B/ 0335

DATE : 2 April 1987

135

UGANDA : NEW LEADER FOR THE UGANDAN RESISTANCE MOVEMENT

1. Otema ALLIMADI (former Prime Minister from 1980 to 1985 in the government of former President Milton OBOTE of Uganda) announced in a press statement on 11 March 1987 in London that he is the new leader of the Ugandan People's Democratic Movement (UPDM). According to ALLIMADI the UPDM plans to restore "democracy and a government of order and justice" in Uganda.

2. COMMENT

   a. The UPDM is the only Ugandan resistance movement and was established in the middle of 1986 by members of the Uganda National Liberation Army (UNLA), the former Ugandan army, amongst others.

   b. The UPDM operates from southern Sudan, since August 1986, and although no significant military successes have been achieved, the Movement's actions have resulted in an unstable security situation in that area.

DATE OF INFORMATION : March 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0351

DATE : 9 April 1987

ROMANIA : VISIT TO AFRICA

1. President Nicolae CEAUCESCU of Romania and leader of the Romania Communist Party has undertaken a visit to five African countries (Angola, Zaire, Nigeria, Ghana, Cameroon) which commenced on 3 April 1987.

2. COMMENT

a. President CEAUCESCU's last visit to Africa was undertaken in 1979 and included Angola, Mozambique and Zambia. Several collaboration agreements were signed.

b. Although the purpose of the above visit is not clear, it probably is an attempt on the part of Romania to expand its influence in Africa. Owing to Romania's own economic problems it is however unlikely that the country will be able to render substantial aid to these states, and would primarily involve the provision and exchange of advisers in various fields.

DATE OF INFORMATION : March 1987
RELIABILITY GRADING : 2

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TRADUCCIÓN

El presidente NICOLAE CEAUCESCU de Rumania y líder del Partido Comunista de Rumania emprendió una visita a cinco países africanos (Angola, Zaire, Nigeria, Ghana y Camerún) que comenzó el 3 de abril de 1987.

El presidente CEAUCESCU visitó África en 1979 e incluyó Angola, Mozambique y Zambia. Donde se firmaron varios acuerdos de colaboración.

Aunque el propósito de dicha visita no es muy definido, es probable que sea un intento de parte de Rumania para expandir su influencia en África. Debido a los propios problemas económicos de Rumania es poco probable que este país esté en condiciones de prestar asistencia sustancial a estos países y primariamente involucraría la provisión e intercambio de asesores en distintos terrenos.

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SUBJECT : LIBYA : ACTIVITIES OF RADICAL GROUPS

SOURCE : C

INFORMATION : 3

DATE : NOV 86

DISTRIBUTION RESTRICTION : NOT FOR RELIAISON

1. According to information received the group of Abu Nidal, who reportedly died of cancer in Iraq, continues to operate under a joint Syrian/Libyan/Iraqi terrorist organisation. It is stated that Brig Gen Al Khawli of the Syrian Air Force Intelligence, is directly involved with this group.

2. The Islamic Front personnel based in Sudan under the direction of Hasan Abdallah al Turabi, deserves attention, especially Turabi's connections with cells in France and his recent discussions with Gadaffi. This group also co-operates through Iranian students in France (Islamic Association) with Islamic factions in the RSA.

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1. De acuerdo a informacion recibida, el grupo de AbuNidal quien según se informó habría fallecido de cáncer en Iraq, continúa operando como una organización terrorista conjunta sirio-líbanoiraqui. Se ha comprobado que el Brig. Gral de la Inteligencia de la Fuerza Aerea Siria, Al Khawli, está involucrado directamente con este grupo.-

2. El Personal del Frente Islámico con asiento en Sudan,bajo la dirección de Hasan Abdallah al Turabi,les presta asistencia, especialmente en razón de la conecciones de Turabi con células en Francia y sobre todo con sus recientes conversaciones con Gadaffi.Este grupo coopera además a través de estudiantes iranies en Francia (Asociación Islámica) con facciones islámicas en la República de Sudáfrica.-

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REFERENCE : B/0289

DATE : 26 March 1987

ZAIRE : RECENT EVENTS

1. RELATIONS WITH THE USA

a. According to officials of the REAGAN Administration talks were held between the USA and Zaire about a formal agreement for the use of facilities at the Kamina Air Force Base by the USA. Remark : The US Defence Department has already donated US$2 million for the current financial year to improve Kamina.

b. Comment :

- According to media speculation in the USA officials in the Pentagon regard the USA's use of Kamina as crucial in the USA's military planning.
- President MOBUTO of Zaire has recently visited the USA on an official visit and a private visit.

2. LOAN FROM IDA

a. On 27 February 1987 the International Development Association (IDA) approved a loan amounting to US$27,6 million for Zaire, for financing a project to upgrade Zaire's shipping infrastructure and equipment at a total cost of US$47,9 million.

b. The Zairean government will carry US$9,4 million of the costs, Belgium will supply US$9,4 million and the United States Agency for International Development (USAID) will provide US$1,5 million. Remark : The project is expected to be completed by 1994.

DATE OF INFORMATION : March 1987
RELIABILITY GRADING : 2

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EVALUACION - B-2

ACONTECIMIENTOS RECIENTES EN ZAIRE

1.- RELACIONES CON ESTADOS UNIDOS

a) De acuerdo a integrantes de la Administración Reagan, hubo conversaciones entre Zaire y Estados Unidos acerca de un acuerdo formal para el uso de facilidades de la Base de la Fuerza Aérea de Kamina por parte de este último. NOTA : El Departamento de Defensa de Estados Unidos ha suministrado U$S 2 millones para el actual año financiero a efectos de mejoras en la Base.

b) COMENTARIO

- De acuerdo a especulaciones de miembros del Pentágono, el uso de Kamina, es crucial para los planes militares de Estados Unidos.
- El Presidente MOBUTO de Zaire, visitó recientemente este país en visita oficial y privada.

2.- a) El 27 de febrero de 1987, la Asociación Internacional para el Desarrollo, (AID) aprobó un préstamo de U$S 27,6 millones para Zaire, a fin de financiar un proyecto para modernizar la infraestructura naviera y su acondicionamiento, por un total de U$S 47.9 millones.

b) El Gobierno de Zaire aportará U$S 9.4 para las obras, Bélgica U$S 9.4 millones y la AID U$S 1,5 millones.

NOTA: Se espera que el proyecto finalice para 1994.-

Marzo de 1987.-

Zaire

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Documento en carpeta de Enlace
Traducción en carpeta Zaire

m.c.l.

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SECRET

1

SUBJECT	:	MOZAMBIQUE INTERNAL SECURITY SITUATION
SOURCE	:	B
INFORMATION	:	3
DATE	:	DEC 86
DISTRIBUTION RESTRICTION	:	NOT FOR RELIAISON

1. RENAMO was responsible for 264 incidents during Sep 86. These incidents comprised 149 contacts, 10 mine incidents, 19 sabotage incidents and 86 intimidation incidents. RENAMO initiated 78 and FAM 35 of the contacts. Initiative iro the remaining contacts could not be determined. Twenty RENAMO members, 48 FAM soldiers and 11 Zimbabwean soldiers were killed.

2. The largest concentration of the incidents was in the Maputo, Gaza, Manica and Sofala Provinces.

TACTICAL SITUATION IN NOV 86

3. In Central Mozambique RENAMO made further progress with the liberation of towns and its surrounding areas. FAM's battalions at Goi Goi (Southern Manica Province) and Ulongue were driven out with relatively heavy personnel and equipment losses. FRELIMO alleged that the attack on Ulongue was launched from Malawi but made no mention of the defeat at Goi Goi. RENAMO succeeds in denying FAM and the ZNA access to parts of the area between the Southern Manica and Northern Tete and Zambezia Provinces.

4. A few relatively large RENAMO groups infiltrated Southwards across the Limpopo River to launch operations against military and economic installations in and near Maputo. One of these groups comprising approximately 250 men, was responsible for several violent and politicising incidents in the Magude area.

5. The already poor ability of the military planners in Mozambique and Zimbabwe to evaluate the security situation, particularly in Central Mozambique, is further hampered by the fact that FAM and the ZNA are denied access to large parts of the area, as well as by inacurate and confusing intelligence reports drawn up by Mozambique's security service (SNASP) and disseminated to the military planners. For example, the ZNA received a report from SNASP which according to the latter was drawn up from intercepts of RENAMO's radio communications. The report gave out that RENAMO members in a base in Central Mozambique are being trained by RSA personnel. Another report drawn up by the military intelligence gave out that RENAMO's leader, Afonso Dhlakama, was in Malawi when RENAMO launched its attack on Ulongue. In the same report it is alleged that Dhlakama visited several RENAMO bases in Southern Mozambique by helicopter.

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SUBJECT	: ANGOLAN AIR FORCE (FAPA) : AIRCRAFT STRENGTH : 30 NOV 86
SOURCE	: B
INFORMATION	: 3
DATE	: DEC 86
DISTRIBUTION RESTRICTION	: NOT FOR RELIAISON

1. Aircraft Strength : 30 Nov 86

Serial	Type of Aircraft	Strength 31 Aug 85	Deliveries since 1 Sep 85	Losses since 1 Sep 85	Strength 31 Aug 86	Deliveries since 1 Sep 86	Losses since 1 Sep 86	Strength 30 Nov 86
	a	b	c	d	e	f	g	h
1	Fighter Aircraft							
	i. SU-22	9	-	4	5	-	-	5
	ii. MiG-23	23	16	5	34	-	2	32
	iii. MiG-21	62	-	11	51	-	3	48
2	Total	94	16	20	90	-	5	85
3	Helicopters							
	i. Mi-25	21	12	19	14	-	-	14
	ii. Mi-17	11	20	9	22	-	3	19
	iii. Mi-8	45	-	2	43	-	1	42
	iv. Aloutte III	27	-	4	23	-	1	22
	v. Gazelle	-	6	-	6	-	-	6
4	Total	104	38	34	108	-	5	103
5	Transport							
	i. AN-12	12	2	1	13	-	-	13
	ii. AN-26	22	6	4	24	-	-	24
	iii. CASA-212	-	9	-	9	-	-	9
	iv. IL-76	-	3	-	3	-	-	3
6	Total	34	20	5	49	-	-	49

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Remark. Thriteen AN-12, four AN-26 and three IL-76 transport aircraft belong to the USSR and are manned by Soviets.

2. According to a reliable source the following aircraft/helicopters are scheduled to be delivered to FAPA :

a. Fighter Aircraft

i. An unknown number of SU-25 ground attack aircraft in Jun/Jul 87 to replace the SU-22s.

ii. Thirteen MiG-23s.

b. Helicopters

i. Twelve Mi-35s.

ii. An unknown number of Mi-28s in Jun/Jul 87.

iii. Six Gazelle and 12 Dauphine helicopters.

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SUBJECT	:	ZIMBABWE : INTERNAL SECURITY SITUATION SEP 86
SOURCE	:	B
INFORMATION	:	3
DATE	:	DEC 86
DISTRIBUTION RESTRICTION	:	NOT FOR RELIAISON

1. Anti-government forces and the Zimbabwean National Army (ZNA) were involved in 76 incidents during Sep 86 compared to 65 during Aug 86.

2. Actions by Anti-Government Forces. The anti-government forces moved around in groups of three to eight and attempted to avoid contact with the Security Forces. They were responsible for the following incidents :

   a. Contacts. Anti-government forces initiated eight of the 22 contacts which took place. Two members of the ZNA were killed and two wounded.

   b. Politicising/Intimidation. Incidents of this nature occurred in Matebeleland North and Matebeleland South as well as along the Zimbabwe/Zambia border in the vicinity of Victoria Falls and Binga.

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SUBJECT	:	MOZAMBIQUE : CUBAN AID
SOURCE	:	B
INFORMATION	:	6
DATE	:	NOV 86
DISTRIBUTION RESTRICTION	:	NOT FOR RELIAISON

According to unconfirmed information two Cuban battalions are at present in Beira, tasked for the protection of the Beira/Mutare corridor. Five additional Cuban battalions are expected to arrive in Mozambique.

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TEL: 95 40 52

WA/M/203/5/SK220/2/2

DIVISION DE LAS FUERZAS ARMADAS
EMBAJADA DE LA REPÚBLICA
DE SUDÁFRICA
RINCON 487 - PISO 2
MONTEVIDEO

27 de Diciembre de 1986

Sr Director del Servicio
de Información de las
Fuerzas Armadas
Gral. Don Juan A. Zerpa
Presente

De mi consideración:

1. Adjunto a la presente para vuestra atención material que puede ser de interés para esa oficina.

2. Hago propicia esta oportunidad para reiterar a usted las seguridades de mi mas alta y distinguida consideración.

(C VAN DER MERWE)
AYUDANTE DE LAS FUERZAS ARMADAS

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S/DFD
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MINISTERIO DE DEFENSA NACIONAL
Dirección General de Información de Defensa
Fecha de Entrada 8/5/87
Pase 11
041

MINISTERIO DE DEFENSA NACIONAL
Dirección General de Información de Defensa
Fecha de Entrada 8-5-87
Fecha de Salida 14/7/87
Pase a Sek - Archivo
Identificación 06 40/87

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SUBJECT : ANC/USSR CO-OPERATION
SOURCE : B
INFORMATION : 3
DATE : DEC 86
DISTRIBUTION RESTRICTION : NOT FOR RELIAISON

1. An ANC delegation, led by Oliver Tambo, visited the USSR from 3 to 7 Nov 86. On 4 Nov 86 Tambo had a meeting with Gorbachev and on 7 Nov 86 he attended the 69 anniversary of the October Revolution in the USSR.

2. During a press conference on 6 Nov 86 Tambo declared that the ANC was encouraged by the USSR's solidarity with the movement and its readiness to aid the ANC in the stepping-up of its revolutionary actions in the RSA. According to Tambo, "We discussed forms of diplomatic support and material assistance and training for our comrades. Material assistance must include wherever possible the supply of weaponry to us."

Enlace Sudafricano

SECRET

135

REFERENCE : B/ 0398

DATE : 23 April 1987

SOVIET UNION : GORBACHEV VISITS CZECHOSLOVAKIA

1. Mikhail GORBACHEV visited Czechoslovakia from 6 to 8 April 1987 at an invitation from the Central Committee of the Czechoslovakian Communist Party.

2. **COMMENT**

   a. This was GORBACHEV's second visit to this country since he was appointed leader of the Communist Party of the Soviet Union (CPSU) in March 1985.

   b. The purpose of his visit was mainly to counter Czechoslovakia's objections to his proposed economic reforms whilst endeavouring to make his proposals for reform in the Soviet Union more acceptable to Czechoslovakia and other East Bloc countries.

DATE OF INFORMATION : April 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0389

DATE : 23 April 1987

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ANGOLA : REOPENING BENGUELA RAILWAY

1. On 26 March 1987 the UNITA leader, Dr Jonas SAVIMBI, said in a press statement issued by the UNITA office in Washington DC that UNITA would allow the reopening of the Benguela railway line in Angola "as a gesture of the premium placed by his movement on national reconciliation", on condition that it was not to be used for military purposes.

2. **COMMENT**

   a. The Benguela railway line has thus far represented a strategic target for UNITA and has not been in operation for about a decade as a result of UNITA's actions.

   b. The above change of attitude is probably due to persistent pressure exerted on UNITA, by the US State Department in particular, in the search for alternative transport routes for the FLS (southern African Frontline states i e Zambia, Zimbabwe, Mozambique, Botswana, Tanzania, Angola). It might also be an attempt on the part of UNITA to demonstrate a willingness to bring about reconciliation.

   c. Although the reopening of this railway line will be to the advantage of the FLS (Zambia and Zimbabwe in particular) UNITA's offer will, in the African context, probably be interpreted as a sign of weakness.

DATE OF INFORMATION : April 1987
RELIABILITY GRADING : 2

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REFERENCE : B/ 0392

DATE : 23 April 1987

FRANCE : REACTION TO LIBYAN AIR ATTACK ON OUADI DOUM

1. On 4 April 1987 the French Minister of Defence, Mr A GIRAUD, issued a press statement in reaction to the Libyan air attack (3 April 1987) on the Libyan base in northern Chad, Ouadi Doum. He warned that, if such attacks were continued, it might lead to French involvement in the region north of the 16 degrees latitude. Remark : The USSR has accused France of planning to deploy troops in northern Chad.

2. ELUCIDATION AND COMMENT

   a. The Libyan air attack followed the capture of Ouadi Doum by Chadian government forces on 22 March 1987 during which weaponry to the value of US$500 million was seized.

   b. Since it has been French policy thus far not to operate north of the 16 degrees latitude unless French troops in southern Chad were attacked, GIRAUD's statement indicates that France may be prepared to review this standpoint.

   c. As far as the position of the Libyan troops in northern Chad is concerned, indications are that these troops are re-grouping in the Tibesti region in preparation of a withdrawal. Although the Chadian forces have indeed taken the initiative in northern Chad and have succeeded in capturing major Libyan bases, it is unlikely that Libya will withdraw from the Aouzon strip, in particular, which has been occupied by the Libyans since 1973 and to which they historically lay claim to. The Aouzon strip is said also to possess mineral deposits.

DATE OF INFORMATION : April 1987
RELIABILITY GRADING : 2

8704873.

REFERENCE : B/ 0401

DATE : 23 April 1987

ANGOLA : UNIDO FUNDS FOR INDUSTRIAL DEVELOPMENT

1. At the beginning of March 1987 the United Nations Industrial Development Organisation (UNIDO) announced in Luanda that it would grant about US$80 million during the period 1987 - 1991 for industrial development in Angola, mainly for the development of food processing industries.

2. The industrial sector in Angola produces a limited amount of consumer goods for the local market and contributes an average of 8 percent to Angola's gross national product (GNP) while providing job opportunities to approximately 6 000 Angolans.

DATE OF INFORMATION : April 1987
RELIABILITY GRADING : 2

ANGOLA: FONDOS DE LA ORG. PARA EL DESARROLLO INDUSTRIAL DE LAS NN.UU.

1.- A comienzos de marzo de 1987, la Org. para el Desarrollo Industrial de la ONU anunción en Luanda que aportaría una suma cercana a los U$S 80 millones durante el período 87/91, para desarrollo industrial de Angola, en especial la de procesamiento de alimentos.-

2.- El sector industrial de Angola produce una limitadaxxxxx cantidad de artículos de consumo para el mercado local constituyendo un porcentaje promedio, del 8% del Producto Bruto Nacional (PBN) al tiempo que suministra ocupación a unos 6.000 angoleños.-

Información de abril de 1987.-
Eval. B.2

02.02 8704874

REFERENCE : B/ 0314

DATE : 2 April 1987

ANGOLA : BUDGET FOR THE 1987/88 FINANCIAL YEAR

1. According to the Angolan news agency, ANGOP, Angola's budgeted expenditure for the 1987/88 financial year amounts to approximately US$3,1 billion. The budgeted income for the same year is set at US$2,3 billion. Compared to the previous financial year the budget expenditure represents a decrease of 1,2 percent and the budgeted income a drop of 24,1 percent.

2. According to ANGOP the Angolan government took an average budgeted oil price of US$12 per barrel to calculate its present income budget, as opposed to an average budgeted oil price of US$18 per barrel during the 1986/87 financial year.

3. The defence budget for the 1987/88 fiscal year amounts to US$1,5 billion which equals 48 percent of the country's total budget for the same period. According to available information defence expenditures for the 1986/87 fiscal year amounted to US$1,7 billion which equals 55 percent of Angola's total expense budget for this period.

4. COMMENT

   a. The Angolan government is dependent on the oil sector for about 60 percent of the annual budgeted income, and according to the Economist Intelligence Unit in London, the average free on board (FOB) price for Angolan oil exported during 1986 was US$14 per barrel.

   b. Given the fact that the downward trend in world oil prices was restrained, the average price level stabilized at a minimum of US$17 per barrel and a possible shortage anticipated in the world demand for oil at the end of 1987, it appears that the Angolan government has used a conservative average oil price estimate in the budget calculations.

DATE OF INFORMATION : March 1987
RELIABILITY GRADING : 2

Referencia: B - 2

ANGOLA- PRESUPUESTO PARA 1987/88 .

1.- Según la Agencia de noticias angoleña, ANGOP, el presupuesto del país previsto para el año financiero 87/88 es de aproximadamente U$S 3,1 billones. de dolares. El presupuesto por concepto de divisas para el mismo período ,se situó en los U$S. 2,3 billones. Comparado al año financiero anterior, los gastos, representan una disminución del 1,2 por ciento, en tanto las divisas una caída del 24,1 por ciento,

2.- De acuerdo a ANGOP, el gobierno de Angola tomó como promedio ~~para presupuesto~~ el precio de U$S 12 por barril de petróleo para calcular su actual entrada de divisas en contraposición al promedio de U$S 18 por barril, calculado para el año financiero 86/87

3.- El presupuesto de defensa para el año fiscal 87/88, es de U$S 1,5 billones lo que equivale al 48 por ciento del presupuesto total del país para el mismo período. De acuerdo a información disponible, los gastos de defensa para el año fiscal 86/87 ascendieron a U$S 1,7 billones lo que equivale al 55 por ciento del total del presupuesto del país para el mismo periodo.

4.- COMENTARIO

a. El gobierno de Angola, depende en un 60 % del total de divisas, del sector petrolero y según la Unidad de Inteligencia Económica de Londres el porcentaje libre en pizarras, del precio del crudo angoleño exportado,fue de U$S 14 por barril durante 1986

b. Amen del hecho de que la tendencia de baja en el precio mundial del petróleo ha sido controlada, y el promedio del precio ha sido estabilizado a un mínimo de U$S 17 por barril, y una posible disminución en la demanda mundial para 1987 , paraecería ser que Angola ha hecho cálculos estimativos conservadores para su presupuesto.-

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REFERENCE : B/ 0312

DATE : 2 April 1987

SOVIET UNION : PARLIAMENTARY DELEGATION VISITS SOUTHERN AFRICA

1. A Soviet Parliamentary delegation, under the leadership of Mr GILASHVILE (Vice-President of the Presidium) is undertaking a visit to Botswana, Zimbabwe, Angola, Zambia and Tanzania which commenced at the middle of March 1987. A spokesman for the delegation declared that the aim of the visit was to reaffirm the Soviet Union's solidarity with and support for SWAPO and the ANC.

2. COMMENT

This visit appears out of the ordinary since, as far as is known, these states have never been visited by a Soviet Parliamentary delegation. It is also probably aimed at expanding Soviet influence in the region.

DATE OF INFORMATION : March 1987
RELIABILITY GRADING : 2

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REFERENCE : B/ 0274

DATE : 26 March 1987

SOVIET UNION : DEMOCRATISATION INITIATIVES BY GORBACHEV

1. During a meeting of the Communist Party Central Committee (CC) from 26 to 28 January 1987 the General Secretary of the Communist Party of the Soviet Union (CPSU), Mikhael GORBACHEV, announced several proposals with regard to the establishment of extended democracy in the Soviet political system. This confirms his intention to continue with initiatives with regard to reform in the Soviet system even in the face of strong criticism from within the Party.

2. The Soviet leader's proposals with regard to extending the democratic base of the Soviet community involves, for instance, the nomination of more than one candidate for senior executive posts in both the CPSU (although only to the level of Party Secretary in the Soviet Republics) and state departments, factories and collective farms. Proposals with regard to secret elections, the appointment of non-party members in high government posts and legislation to facilitate the prosecution of corrupt government and party officials were also made.

3. He stressed that his attempts to democratise the Soviet community, and especially to improve the economy, coincide with the Leninist principles of openess, criticism and self criticism ("glasnost"). However, in contrast to the above ideas for reform, it was stressed that the party would not abandon its position of power in the process and that the principles of democratic centralism, whereby decisions taken on the highest level are binding on all lower levels of the hierarchy, will be maintained.

4. ELUCIDATION AND COMMENT

a. These proposals did not receive the full approval of the CC. In its resolution the Committee of 307 members (of which a substantial number had been appointed in the BREZHNEV era) merely "took notice" of GORBACHEV's democratisation proposals. His request that the CPSU hold a special federal party conference (the first since 1941) in 1988 was approved. According to GORBACHEV the further democratising of the Party and the community, as well as the implementation of the objectives as laid down by the most recent party congress (January/February 1986), will be discussed during the above-mentioned special conference.

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b. It would appear that there actually is resistance to GORBACHEV's attempts to consolidate his authority. A YAKOVLEV (CPSU Head of Propaganda) - although an important GORBACHEV supporter - was promoted to the ranks of the Politburo and D KUNAYEV (a former confidant of BREZHNEV's who was accused of corruption and poor management) lost his Politburo appointment. V SHCHERBITSKY (another BREZHNEV appointment and a conservative member of the Politburo) retained his post and B YELTSIN (CPSU head in Moscow and a GORBACHEV supporter) failed to obtain full membership of the Politburo.

c. Since GORBACHEV's appointment as General Secretary of the CPSU in March 1985, and especially since the CPSU congress in January/February 1986, the policy of the Soviet Union has been taking on a more dynamic character. From the first instance GORBACHEV emphasised policy renewal with the purpose of fighting inefficiency and corruption, of drastically improving the socio-economic situation and revising the stagnant foreign policy of the BREZHNEV era. Examples of this are the release of a number of political dissidents, including the nuclear physicist, Dr Andrei SAKAROV, and initiatives to settle the Afghanistan dispute. GORBACHEV's appeals for the democratisation of the Soviet community is probably the greatest challenge to date to the old conservative members in the Party, who, owing to their established interests, continue to react warily towards his appeals.

d. Although the resistance to GORBACHEV's proposals from amongst the party members cannot be deemed as insignificant, it appears that the Soviet leader is adamant in effecting full implementation thereof. He continually informs the Soviet population and Party members about the proposals, preparing them for possible change. The planned party conference in 1988 is of special importance in this regard since GORBACHEV's power base will probably have broadened and the climate for change and the implementation and further expansion of his reform proposals may also be more favourable.

DATE OF INFORMATION : March 1987
RELIABILITY GRADING : 2

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REFERENCE : B/ 0379

DATE : 23 April 1987

BOTSWANA : SOVIET INVOLVEMENT IN DEVELOPMENT PROJECTS

1. Towards the end of March 1987 the Botswana government approved Soviet involvement in local development projects, including the utilisation of subterranean water.

2. This development follows a visit to Botswana by a Soviet delegation led by the Deputy Chairman of the Soviet parliament, P GILASHVILI. They also agreed to expand mutual trade relations, and that Botswana's Minister for Commerce and Industry, M MWAKO, would visit the USSR during May 1987.

3. ELUCIDATION

The Soviet Union and Botswana signed a trade agreement in 1984 in which they undertook to promote trade between the two countries.

DATE OF INFORMATION : April 1987
RELIABILITY GRADING : 2

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REFERENCE : CB/ 0510

DATE : 11 June 1987

THE UNITED DEMOCRATIC FRONT (UDF) : BACKGROUND INFORMATION, STRUCTURE AND ROLE AS EXTRA PARLEMENTARY FORCE

1. The United Democratic Front (UDF) was founded on the 20 August 1983 as a multi-racial umbrella body representing approximately 700 affiliated organisations. The Front claims a membership of roughly two million Blacks, Coloureds, Indians and Whites. Currently UDF activities are mainly being launched and initiated by a few prominent affiliates in each region. The majority of its affiliates, such as sporting and social clubs, youth, women, religious and community organisations are inactive and offer little more than moral support to the UDF.

2. Because of its status as a front representing a multitude of affiliated organisations and supporters, the UDF has no individual membership. Its leadership and permanent employees are the only official members.

3. The UDF's organisational structure consists of two different components, namely its structure of affiliates and its formal structure.

4. The <u>structure of affiliates</u> consists of several groups (associations, organisations, clubs etc) that operate independently, but are united by a common loyalty to the UDF's political stance i e to form a united front against the present socio-political system in South Africa. The size and stature of

affiliates vary from organisations and trade unions that organise at a national level such as the Release Mandela Campaign (RMC), National Union of South African Students (NUSAS) and South African Allied Workers Union (SAAWU) to affiliates that organise regionally. These include the Transvaal Students Congress (TRASCO) and Natal Organisation of Women (NOW). Other affiliates such as the Soweto Civic Association (SCA) and Port Elizabeth Youth Congress (PEYCO) function on a local level.

5. Various groups and organisations with the same basic political aims as the UDF such as the Congress of South African Trade Unions (COSATU), the National Education Crisis Committee (NECC), the End Conscription Campaign (ECC) and the Black Sash are not affiliated to the Front. These organisations do however cooperate with the UDF on certain issues and often serve as front organisations to promote certain aims relating to workers. In this regard the UDF launched a National United Action Campaign in October 1986 in conjunction with COSATU, NECC and the South African Council of Churches (SACC) to simbolize their commitment to the lifting of the state of emergency and the release of ANC leader, Nelson MANDELA.

6. The UDF's formal structure consists of a National Executive Committee, nine regional structures in the Western, Eastern and Northern Cape, Border, Transvaal, Northern Transvaal, Natal, Natal Midlands and Natal Northern coast. Various Area committees such as the all-White Johannesburg Democratic Action Committee (JODAC), the Port Elizabeth Area Committee (PEAC) and the UDF (Southern Cape) and local branches report to the regional structures.

7. As no UDF-affiliation or membership fees are paid, the UDF relies on donations, grants and the sale of T-shirts, badges etc to balance its budget. Before the UDF was declared an effected organisation in October 1986, it received most of its funds from foreign sources. (Remark : An effected organisation is not

allowed to receive funds from foreign countries/sponsors as from the date so declared by the Government). The following organisations, governments and foundations are among those who made financial contributions to the UDF during 1985/1986 :

Brittain	-	Amnesty International
Germany	-	Green Party and Friederich Ebert Stichtung
Sweden	-	International Centre of the Swedish Labour Movement
France	-	Kairos Action Group
USA	-	Ford Foundation
Switzerland	-	Solifonds
Netherlands	-	Organisation for Internation Assistance (NOVIB)
Canada		
Italy		

8. Since October 1986 the UDF has received most of its funds from the South African Council of Churches (SACC). In this regard Dr Allen BOESAK (patron of the UDF) plays a prominent role.

9. Although the UDF's contact/liaison with foreign countries was originally limited to fund-raising campaigns, it has recently concentrated on promoting a positive image abroad. Various well known UDF personalities have since undertaken various missions with the spesific aim to discredit the present Government and to call for economic sanctions and disinvestment.

10. Although the UDF officially propagates non-violent action for political change, the Front addressed a letter to the USA Secretary of State, Mr George SCHULTZ in January 1987 (on the eve of the meeting between SCHULTZ and Oliver TAMBO - President of the ANC) in which it expressed its sympathy with the ANC's policy favouring violence as a means of overthrowing the Government, and warned that the UDF might adopt the same stance (as the ANC) on violence, should the South African government continue to "outlaw" its campaigns and rallies.

11. No formal link is evident between the UDF and the ANC/SACP-alliance, though the latter often refer to the UDF as its internal wing. There is however little doubt that the UDF promotes the ANC and the Soviet-backed South African Communist Party's aims with regard to South Africa. The majority of UDF leaders and patrons were previously, or are currently, ANC members or ANC sympathisers. Amongst these are the following notable personalities :

- Nelson MANDELA : Leader of the ANC and patron of the UDF
- Archie GUMEDE : National President of the UDF and former ANC member
- Albertina SISULU : National President of the UDF, former ANC member and wife of ANC detainee Walter SISULU
- Billy NAIR : Patron of UDF and former ANC detainee
- Winnie MANDELA : Patron of UDF and member of the SACP
- Oscar MPETHA : National President and former SACTU member

12. According to the ANC, the UDF's main task is to make the country ungovernable and to create a situation where a socialist order can be instituted.

sudafrica

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REFERENCE : A/ 6393
20 June 1985

INFORMATION REQUIREMENTS

P. Laterno

1. SOVIET UNION (POLITICAL)

1.1 International situation

1.1.1 Leadership question:
- Health of members in the politburo and secretariat
- Position of and situation between the different factions in politburo and secretariat
- Potential leaders

1.1.2 Social problems
- Ethnic friction
- Social problems with political implications
- Religious problems (Islam and Christian)
- Dissidents
- Reaction on Afghanistan
- Economic and military situation in general.

1.2 External policy
- Superpower relations
- Disarmament
- Areas of conflict
- Relations with NATO and NATO members
- Relations with China and Japan
- Policy and relations regarding the Third World
- Industrial espionage

1.3 Communist Front organizations
- Liaison with terrorist and other unconstitutional anti-RSA movements, UN and its Anti-RSA congresses/conferences attended or organized by these movements
- World Peace Council (WPC)
- Afro-Asian Peoples' Solidarity Organisation (AAPSO)

1.4 International Department of the Central Committee of the CPSU
- The abovementioned department's strategy towards Africa
- Personalities in this department attached or present in Soviet embassies in Southern Africa
- Influence in the Soviet decisionmaking process
- The Africa-Institute in the Soviet Academy of Sciences
- Articles regarding the Soviet Union's policy towards Africa and specifically the RSA
- Pronouncements on Africa and the RSA by members of the Academy

1.5 Cuba
- Involvement in Latin America
- Education and training of scholars and students from Third World countries on the "Isle of Youth"
- The internal political, economic and social situation.

1.6 GDR, Poland, Czechoslovakia, Bulgaria, Hungary, Albania and Mongolia

1.6.1 External Relations
- Relations towards Western Europe, USA and Canada
- Relations, activities and assistance to the Third World

1.6.2 Internal situation
- Leadership situation
- Possible successors
- Social issues
- Ethnic friction (ie CZECHOSLOVAKIA AND ALBANIA)
- Social problems with political implications (ie the abuse of liquor and drugs)
- Role of the church
- Dissidents and resistance groups (ie solidarity)
- Economic and military situation in general

1.6.3 Church Activities: Eastern Europa and Asia
- Liaison of clergy from Eastern Europe and Asia with churches and church organisations in the West (namely the LWF and WCC)
- Support and co-operation of churches and church organisations towards peace organisations (Christian Peace Conference)
- Structure and office-bearers of the Russian Orthodox Church
- Communist infiltration in churches and church organisations
- Structure and activities of Gossner Mission in East Germany

1.7 Soviet Bloc Involvement in Africa

1.7.1 The following aspects regarding the abovementioned states refers:
- Overhead policy of each state towards Africa
- Activities, numbers, names/addresses of embassy personnel in Africa
- Visits of officials to Africa
- Pacts, agreements and protocol signed with African states
- Any form of assistance given (ie in political, economic, social or military sphere)
- Involvement or presence in the Indian Ocean
- Anti-RSA-pronouncements
- Assistance to terrorist and other anti-RSA-groups (ANC, PAC, SWAPO)
- Training of scholars and students from Africa

1.7.2 The involvement of Eastern block countries and specifically the USSR with the media in Southern Africa regarding the following aspects:
- News exchange agreements
- Financial aid
- Training of media personnel
- Acquiring of equipment

1.7.3 Soviet disinformation with reference to Southern Africa

1.7.4 Any information regarding Soviet propaganda that has relevance to Southern Africa.

1.8 ANC/SACP AND SWAPO ACTIVITIES IN EASTERN BLOC COUNTRIES

1.8.1 Representation
- ANC/SACP and SWAPO representatives in the USSR (names, addresses, telephone numbers, etc.)
- Any other ANC/SACP and SWAPO members present in the USSR (if possible, positive identification).

- ANC/SCAP and SWAPO representation in any other Eastern block countries.

1.8.2 Training
- Extent and character of academic, technological and military training of ANC/SACP and SWAPO membes in Eastern Europe?
- Academic institutions involved in the training of ANC/SACP and SWAPO students?
- Military camps where training takes place.
- ANC/SACP and SWAPO participation in so called summerschools in Eastern block countries.

1.8.3 Support
- Military and financial aid from Eastern block countries to the ANC/SACP and SWAPO.
- Representation of these organizations in the World Federation of Democratic Youth (WFDY), World Peace Council (WPC) and Womens International Democratic Federation (WIFD).

1.8.4 Propaganda
- Publishing facilities of the ANC/SACP and SWAPO in the GDR (financial assistance and other support).
- Training of members of these organizations in "journalism" in the GDR.

2. <u>SOVIET UNION</u> (Economical)

- Information regarding the USSR's involvement in Africa in the economic sphere especially Soviet economic and technical aid to African countries.
- Soviet influence on the international oil market both in respect of the marketing of oil and Soviet desire to dominate oil resources.
- Cereal production and import requirements.
- The general economic situation.
- Details of the USSR's arms trade (value and distribution).
- Information regarding the Soviet's hard currency earnings.

2.1 <u>GDR (Economical)</u>
- Information relating to the GDR's involvement in Africa in the economic sphere.
- Information regarding the GDR's economic and technical assistance programme for Africa.
- Economic co-operation between the GDR and the USSR.

2.2 <u>Comecon</u>
- View-point of individual member countries regarding economic integration within COMECON.
- Efforts by COMECON to promote economic co-operation with non-COMECON countries.
- Information regarding the COMECON's economic involvement in Africa.
- Inter-COMECON economic ties.

3. <u>ASIA</u>

3.1 <u>Afghanistan</u>
- UN-role and settlement agreements.
- Soviet involvement.
- Information regarding the Afghan intelligence Service (KHAD) and their cooperation with the KGB.

3.2 **Pakistan**

- Policy towards the USA, China, USSR, and India and the possible granting of Pakistani bases to the USA. X

3.2 **India**

- Changes/adjustment in foreign relations towards the USA and Soviet Union under Rajiv GHANDI.
- Consolidation of power by Rajiv GHANDI, the possible rejuvination of the party and the role that Arun NEHRU and Arun SINGH could play.
- Sikh segregation and the Khalistan idea. x
- Indo-Chinese talks on border problems. x

3.4 **Sri Lanka**

- The Tamil-Sinhalese conflict
- The possibility of succession
- Israeli involvement
- The role of India in the conflict and the reputed Tamil-training camps in Tamil-Nadu.

3.5 **China (Peoples Republic of China**

- Sino-Soviet talks
- Its policy and involvement in Africa
- Reforms in China with the emphasis on the "4 Modernizations" (ie Economic, Technological, Agriculture and Military)
- Leadership situation.

3.6 **Taiwan (Republic of China)**

- Attitudes to reunion with China
- Taiwanese KMT action in other states
- The Taiwanese Independence Movement (TIM)

3.7 **North Korea**

- Involvement with and policy towards Africa
- Aid and support to international revolutionaries and terrorist groups.

3.8 **Philippines**

- The increasing importance of the NPA (New Peoples Army); their numbers, philosophy, background, connections with the Philipino Communist Party and the role of the so called liberation theology.
- Leadership of MARCOS and the possible role that the USA can play in abetting the opposition.

3.9 **General**

- Influence and activities of Asian countries in Africa and the policies and actions of these states towards the RSA.

4. **MIDDLE EAST**

4.1 **Israel**

- Re-establishment of relations with Africa
- Israeli/Lebanese relations
- Israeli/Syrian relations
- Economic situation

4.2 **Lebanon**

- Relations with Syria and USSR
- Situation in Southern Lebanon after the withdrawal of Israeli forces.

4.3 Syria
- The leadership struggle.
- Relations with USSR and Iran.

4.4 Iran
- Possible successors to Ayatollah KHOMEINI (with special reference to MONTAZARI and RAFSANJANI)
- Relations with USSR/Iraq and gulf states
- Extent of Islamic fundamentalism.

4.5 Oman
- Relations with the West
- Relations with Communist countries.

4.6 PLO
- Relations with Jordan/Syria.
- Situation within the PLO.

4.7 North/South Yemen
- Relations with USSR
- Reunion of North/South Yemen.

4.8 Influence and activities of these states regarding Africa and their policy and action towards the RSA.

5. WESTERN EUROPE, SCANDINAVIA AND AUSTRALASIA

5.1 Terrorism
- Presence and activities of ANC, PAC, SWAPO and other terrorist and unconstitutional Anti-South African groups and individuals and support to them in these countries - co-operation with international terrorist organizations and groups.

5.2 Churches
- Marxist and other unconstitutional/revolutionary influences on churches, church groups and individuals in these countries - co-operation with, support to and influence on anti-south Arican organizations, groups and individuals.

5.3 Socialist International (SI)
- SI decisions and actions which has a bearing on Southern Africa and the RSA in particular.
- Possible closer cooperation between the SI and the United Nations.

5.4 Nato
- The current terrorist threat to Nato countries and possible involvement of the ANC/SACP and SWAPO - the role of Soviet Bloc countries in this renewed threat.

5.5 Labour
- Activities regarding material and/or moral assistance from trade unions in Western Europe to unconstitutional and/or revolutionary anti-South Arican labour or "liberation" organisations. The activities of the World Federation of Trade Unions and its affiliates concerning South Africa, as well as on the Aktionskomitee Arbeiterbewegung Süd Afrika (AKAS) and the Committee of Labour Education South Africa (COLESA) in West Germany, which can reasonably be construed as potentially detrimental to constitutional government and labour relations in South Africa.

6. AFRICA (POLITICAL)

6.1 Mozambique

- Any information regarding international aid to Renamo.
- Any information regarding divisions within the Politburo of Frelimo.
- Any indication of growing opposition within Mozambique towards MACHEL's current policy of rapprochement with the RSA and the West.

6.2 Tanzania

6.2.1 NYERERE has recently reaffirmed his intention to step down at the end of 1985 after general elections have been held. Whom do you regard as his possible successor and how will the change of leadership affect:

- Tanzania's bilateral relations with other African, West and East Bloc countries?
- Tanzania's internal policy of Ujamaa socialism?
- The general stability of Tanzania?

6.2.2 The attempted coup of 1983 and the problems on Zanzibar at the beginning of 1984 have shown that despite the apparent stability in Tanzania, opposition to the Government does exist:

- Do you have any information regarding the extent of internal discontent. What are the main problem areas that the government has to contend with?
- Are there still groups on the Island which oppose the union with the mainland?
- Will the proposed constitutional amendments to the Islands' Constitution satisty the demands of the population?

6.3 Lesotho

- Are there any signs of a deterioration in Lesotho's relations with Communist countries and especially China?
- Is Lesotho at present considering the re-establishment of diplomatic relations with Taiwan and South Korea?

6.4 Zimbabwe

- To what extent does the violence in Zimbabwe and the government's intimidation of opposition parties harm its international image?
- Is there, in view of the political violence in Zimbabwe, a breakdown in control between the government and its supporters or does the violence occur with the blessing of the government?
- The Zimbabwe government seeks a mandate from the voters to create a one-party state. How soon after the elections will a one-party state be created and by what means?

6.5 Kenya

- Do the majority ethnic groups, who seem to be underrepresented in the Kenya cabinet, pose any threat to the government of Pres MOI.

6.6 Angola

- What are the chances of reconciliation between UNITA and the MPLA? Have any contacts taken place in this respect?
- In what regard have the peace initiatives in Southern Africa affected the position of Pres DOS SANTOS within party organs like the Central Committee?
- Information on any new tendencies within the party and governmental apparatus.
- Has the national conference which the MPLA convened in January 1985 strengthened the position of the more doctrinaire elements?

- Are there any indications of expected appointments/dismissals within party and government structures?

6.7 Zambia

- Info on indications of widespread discontent amongst the Zambian Congress of Trade Unions regarding the current political leadership.
- Zambian support for the ANC and SWAPO.
- The influence of the border conflict on political relations between Zambia and Zaïre.
- Info on Zambian relations with UNITA.
- Info on a possible successor to pres KAUNDA.
- Info on subversive activities of East-bloc embassies in Zambia.
- Info on any new tendencies concerning KUANDA's viewpoint regarding the liberation struggle in Southern Africa.
- Info on influence of KAUNDA regarding a negotiated settlement of the SWA independence issue eg. his influence on DOS SANTOS regarding the withdrawal of Cubans from Angola, etc.

6.8 Botswana

- The honouring, or not, of Botswana's commitment not to allow usage of its territory as a springboard for attacks by terrorists on any of its neighbouring countries.
- Any information on terrorist usage of/or communist activities regarding the Dukwe-refugee camp.
- Information on possibility of Botswana Defence Force giving support to terrorists without government knowledge.
- Info on whether dr Kenneth KOMA's Botswana National Front (BNF) is getting external support.
- Info on subversive activities of the Libyan, Chinese and Russian embassies in Botswana.
- The presence of Eastern Bloc personnel eg advisors, technicians, military instructors, etc in Botswana.

6.9 OAU

- Info (resolutions, decisions, declarations) on all meetings of the prime organs of the OAU, eg the summit meeting of heads of state and government, Council of Ministers, Defence Commission, Liberation Committee, etc.
- Info on the implementation of the Defence Commission's protocol for the establishment of an OAU defence force.
- Developments in the Liberation Committee regarding eg the position of the Committee's subregional offices, friction on donations to the Liberation Fund, arrears to the Fund, tours, reports, etc.
- Actions and reactions of African states to the peace initiatives in Southern Africa.
- Info on indications that the OAU is planning for the establishment of a Political Security Council.
- Indications on what kind of influence the "Frontline states" in the OAU have.
- Info on the viability of pres MOBUTU's suggestion that a League of Black African States must be formed as a complementary organisation to the OAU.

6.10 West Africa

Information on political currents and tendencies in the West African region with regard to

- New political alliances and defence agreements;
- Attitude and policies towards developments in Southern Africa and support for ANC, PAC and SWAPO.

- Libyan influence in West African states eg Ghana, Benin and Burkina Faso and Libyan subversive activities in moderate states.

6.11 North-West Africa
- What is the current situation in the Maghreb with reference to the Morocco-Libyan alliance in opposition to the Algeria-Tunisia-Mauritania alliance?
- What is the degree of Soviet and Cuban involvement in Guinea-Bissau and Cape Verde?

6.12 Central Africa
- What is the degree of Soviet, Cuban and Angolan involvement in Sao Tome & Principe?
- Is there any connection between Zairean opposition groups and the Soviets, Cubans or Angolans?
- Is there any evidence that Zaïre is giving support to Unita, if so, to what extent?

6.13 Egypt
- Indications whether Egypt will be able to rejoin the Arab League and regain its influence in the Arab World?
- How strong is the Moslem Brotherhood's influence in Egypt?

6.14 Libya
- How strong is KADAFI's power base in the army?
- Libyan involvement in Southern Africa with specific reference to SWA, Lesotho and Botswana.
- Information on Libyan subversive activities in moderate African states.

6.15 Sudan
- How strong is the power base of Gen SWAREDAHAB and does he have the support of the army and the Sudanese people?
- What political parties are expected to re-emerge if Sudan returns to civicilan rule?
- Can Gen SWAREDAHAB be described as fairly moderate and pro-Western?
- What will Sudan's policy be towards non-alignment, the USA and the Soviet Union?

6.16 Madagascar
- Any information regarding foreign relations/policy.

6.17 Seychelles
- Any information on foreign presence and influence.

6.18 Ethiopia
- How strong is Pres Mengistu's power base and does he still have the full support of the army?
- Has opposition to Mengistu already emerged within the Ethiopian Workers Party?

6.19 Somalia

6.19.1 It seems as if pressure on the Barre-government is increasing and that a coup d'etat can not be ruled out:
- Does Barre enjoy popular support?
- Which groups can on the one hand be regarded as his strongest opponents and on the other as his staunchest supporters?

- Do you foresee a coup by the Army or do you believe that they will remain loyal to Barre?
- What is the extent of popular support for the resistance groups (The SSDF and the SNM)?
- Which countries are the main supporters of the SSDF and the SNM?
- What is the extent of co-operation between the two movements?
- Who can be regarded as a possible successor to Barre?

6.19.2 What are the reasons for Somalia's resumption of diplomatic ties with Libya?

6.19.3 Has there been an improvement in the relations between Somalia and the Soviet Union?

6.20 Uganda

6.20.1 Resistance Movements

6.20.1.1 It has been reported that the Ugandan national army, UNLA, is intensifying its offensive against the National Resistance Movement (NRM) in the Luwero Triangle. To what extent has the offensive been successful?

6.20.1.2 Regarding the resistance movements in general the following information will be appreciated:
- Is support for the various movements based on tribalism? If so which tribes support which groups?
- Which organisations (e.g. churchgroups, humanitarian organisations) support the movements.
- To what extent does co-operation exist?

6.20.2 Uganda National Liberation Army
- To what extent has the new Chief of Staff, Smith Opon ACAK, succeeded in re-organising and unifying the army? Is there any truth in rumours that he will be replaced shortly? If so, by whom?

6.20.3 General Elections
- What are the chances of the main opposition party, the Democratic Party (DP), winning the election? Have discriminatory actions by the government against members of the DP intensified?
- There have been reports of disunity in the senior circles of the ruling Uganda Peoples Congress (UPC). What is the reason for this and which persons are involved?

SECRET

REFERENCE : B/ 0541

DATE : 18 June 1987

MALAWI : CABINET RESHUFFLE

1. On 4 June 1987 President Kamuza BANDA of Malawi appointed a new Cabinet of 11 members (see Appendix A). The President retains the portfolios of Foreign Affairs, Justice, Agriculture and Works and Supplies. Three former senior Ministers were excluded from the Cabinet. Two new Ministers, both nominated Members of Parliament, were included. Only three Ministers retained their portfolios.

2. COMMENT

a. The new Cabinet follows a general election on 27 and 28 May 1987 in Malawi, during which 53 MP's lost their seats. It is not known at present whether the Ministers that were excluded have also lost their parliamentary seats.

b. Although the Cabinet reshuffle appears extensive, little change in Malawi's foreign and internal policies is expected.

DATE OF INFORMATION : June 1987
RELIABILITY GRADING : 2

SECRET

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Appendix A

THE MALAWIAN CABINET

Portfolio		Name
President, Foreign Affairs, Justice. Agriculture, Works and Supplies	:	H K BANDA
Minister without Portfolio	:	Robson CHIRWA (unchanged)
Labour	:	Wadson DELEZA (previously responsible for Trade, Industry and Tourism)
Health	:	Edward BWANALI (previously responsible for Transport and Communications)
Finance	:	Louis CHIMANGO (previously responsible for Health)
Forestry and Natural Resources	:	Stanford DEMBA (previously responsible for Labour)
Transport and Communications	:	Dalton KATOPOLA (previously responsible for Finance)
Community Services	:	Katopola PHIRI (unchanged)
Local Government	:	Richard M BANDA (unchanged)
Education and Culture	:	Maxwell PASHANE (new appointment)
Trade, Industry and Tourism	:	Michael MLAMBALA (new appointment)

REFERENCE : B/ 0540

DATE : 18 June 1987

THAILAND : ESTABLISHMENT OF DIPLOMATIC RELATIONS WITH MALAWI

1. In June 1987 Thailand and Malawi established diplomatic relations. Ambassadors will soon be exchanged.

2. COMMENT

   a. Malawi is the 23rd African state, and the third in southern Africa, to establish relations with Thailand. Remark : In southern Africa, Botswana and Zimbabwe already maintain diplomatic relations with Thailand.

   b. This is a further realisation of the more active foreign policy that Thailand has been pursuing since its appointment as rotating UN Security Council member in October 1984.

DATE OF INFORMATION : June 1987
RELIABILITY GRADING : 2

PS

REFERENCE : B/0539

DATE : 18 June 1987

KENYA : IMPROVED RELATIONS WITH UGANDA

135

1. On 1 June 1987 President MOI of Kenya declared that Kenya's transport routes were once again open to Ugandan traffic. He also denied all rumours concerning the deployment of Kenyan troops along the border with Uganda. On the same day Ugandan Premier KISEKKA stated officially that telecommunication links between these two countries had been restored after being interrupted during May 1987.

2. **ELUCIDATION AND COMMENT**

   a. The above-mentioned statements are indicative of improved relations between the two countries. Since March 1987 the situation became severely strained when Kenya deported 1 000 illegal Ugandan refugees and refused to admit Ugandan citizens to Kenya. Relations between Kenya and Libya have deteriorated since April 1987 when four university students were convicted on a charge of spying for Libya. These students were part of an espionage network operating from the Libyan People's Bureau in Nairobi.During May 1987 the situation deteriorated further when a London daily, the Standard, alleged that Kenyan expatriates were issued with travel documents in Uganda, from where they proceeded to Libya for military training, apparently with a view to eventually engage in destabilisation actions against Kenya. The situation eventually led to telecommunication links between Kenya and Uganda being temporarily suspended at the end of April 1987 and their common borders being closed.

   b. The action taken by Kenya against Uganda was probably a form of protest against the latter's cordial relations with Libya, Cuba and North Korea. It could, however, also be seen as an attempt to bring pressure to bear upon Uganda, warning that Uganda was in effect vulnerable and that Kenya would not tolerate any intimidation or threats by Uganda.

DATE OF INFORMATION : June 1987
RELIABILITY GRADING : 2

REFERENCE : B/0534

DATE : 11 June 1987

UGANDA : *COFFEE EXPORTED VIA DAR ES SALAAM*

1. Since 13 May 1987 Uganda has been exporting coffee via the harbour of Dar es Salaam in Tanzania owing to freight accumulation and delays in the Kenyan port of Mombasa. Remark : Coffee represents about 90 percent of Uganda's foreign exchange earnings.

2. COMMENT

Increased volumes of Ugandan coffee exports via Dar es Salaam is likely to put this harbour under greater pressure because of FLS (southern African Frontline states - Zambia, Zimbabwe, Mozambique, Tanzania, Botswana, Angola) attempts (particularly by Zambia) to channel larger tonnages of freight via Dar es Salaam.

DATE OF INFORMATION : June 1987
RELIABILITY GRADING : 2

REFERENCE : B/0529

DATE : 11 June 1987

LIBYA : KADDAFI ACKNOWLEDGES ECONOMIC DECLINE

1. Addressing Libyan government officials on 23 May 1987, Colonel KADDAFI warned that the Libyan economy had deteriorated to such an extent that it could collapse. To save the situation imports had to be reduced, mismanagement eliminated and workers motivated.

2. COMMENT

a. As far as is known, this is the first time that KADDAFI has openly acknowledged Libya's economic decline. The decline is due to the drop in international oil prices during 1986, as oil is the country's most important earner of foreign revenue. In this regard Libya showed a loss of income of approximately US$4 billion during 1986.

b. The potential for political instability in Libya can rise as a result of this acknowledgement, particularly due to the existing dissatisfaction in the Libyan Defence Force concerning Libya's involvement in Chad and the resultant financial burden.

DATE OF INFORMATION : June 1987
RELIABILITY GRADING : 2

REFERENCE : B/ 0526

DATE : 11 June 1987

PLO : ANTICIPATED RADICALISATION AFTER PNC MEETING

1. During the 18th session of the Palestine National Council (PNC - the PLO decision-making body) held in Algeria (20 - 25 April 1987) Yassar ARAFAT, leader of the Al-Fatah group in the PLO, succeeded in consolidating his position. Certain radical factions that were opposed to his leadership were reunited within the PLO. The meeting was attended by approximately 426 Palestinian delegates.

2. This development necessitated the accommodation of radical views which again resulted in friction with the moderate PLO host countries like Morocco, Egypt and Jordan. The following controversial resolutions were passed :

   a. For the first time the Palestinian Communist Party (PCP) was admitted as a full member of the PNC with representation in the PLO Executive Committee (PLO-EC).

   b. The personal relations between Egypt, the PLO and ARAFAT were criticised and Egypt's signing of the Camp David Agreement was denounced. Provision was made for PLO contact and close relations with the "democratic forces" in Egypt.

   c. The PLO-EC decision for the annulment of the "Amman Agreement" (whereby the PLO and Jordan would pursue a joint approach with regard to peace talks in the Middle East) was approved.

   d. A resolution was passed "to correct and build Palestinian-Syrian relations on a platform of mutual respect".

3. Developments and decisions at the session brought the following reactions :

   - The Egyptian observers walked out of the PNC on 25 April 1987 in protest of the anti-Egyptian resolution. On 27 April 1987 Egypt announced that the PLO offices in Egypt were to be closed with immediate effect.

   - On 20 April 1987 the Moroccan delegation left the meeting in protest of a delegation from the Polisario Front attending the PNC session as observers, and maintained that Morocco would henceforth boycott all PLO activities.

- Initial reports as to the alleged closure of the PLO office in Libya, owing to the PNC resolution against severing all ties with Egypt, were denied after talks between Col KADDAFI and Khalil al-WAZIR, a member of Al Fatah's Central Committee.

- Syrian expectations - that participation by certain pro-Syrian factions in PNC proceedings would pave the way for other pro-Syrian factions to be admitted and thus increase Syrian influence in the PLO - failed to materialise.

- In a strongly worded declaration Saudi-Arabia, currently one of the PLO's major financial sponsors, expressed her disappointment and dissatisfaction at the PCP having been granted full membership with representation in the PLO-EC.

4. In his opening address ARAFAT indicated that the armed struggle remained one of primary importance to the PLO and that any efforts towards gaining recognition as a lawful actor in future Middle East peace negotiations would in no way detract from this. He declared that "the Palestinian rifle will not be abandoned as long as the Palestinian people remain without an independent state of their own, with Jerusalem as its capital ... and ... we consider the international (Middle East) peace conference a political battle that should be fought alongside the military battle". Remark : These statements are indicative of a political shift of emphasis towards considerable radicalism, and followed the first success (since 1982) that five Al-Fatah terrorists had in penetrating the northern Israeli border.

5. **ELUCIDATION AND COMMENT**

   a. The period preceding these meetings (20 March to 20 April 1987) was marked by comprehensive talks in which practically all Palestinian factions took part at some stage or other. During this period it also become evident that the Soviet Union, in particular, was playing a major part as mediator while exerting pressure on both Libya and Syria. Consequently, relations between KADDAFI and ARAFAT have become less strained.

   b. The PNC resolutions, ARAFAT's decision to normalise relations with Syria and improved relations between KADDAFI and ARAFAT indicate that there is a shift towards greater radicalism within the PLO. Whilst ARAFAT's stronger position within the PLO implies a greater measure of coherence within the organisation, ARAFAT will be under increasing pressure from the newly admitted groups and radical factions in the PLO to intensify the armed struggle. An increase in acts of terrorism against Israel and Against Jewish targets internationally could therefore be expected.

DATE OF INFORMATION : June 1987
RELIABILITY GRADING : 2

SECRET

REFERENCE : B/ 0523

DATE : 11 June 1987

ANGOLA : EC AID

1. Mr Jose ESTIMA (Director of Lobito harbour in Angola) announced on 19 May 1987 that the European Community (EC) had granted a loan of US$100 million for the upgrading and development of this harbour. Remark : The current capacity of Lobito harbour is approximately 36 000 tons of cargo per month, in comparison with 300 000 tons per month in 1974.

2. According to ESTIMA the EC loan will be used to enlarge the harbour in order to accommodate international traffic.

3. COMMENT

The above is part of the Lobito Corridor project, the purpose of which is also to bring the Benguela railway line into operation for the channelling of foreign trade from Zambia and Zaire, amongst others, via Lobito harbour.

DATE OF INFORMATION : June 1987

RELIABILITY GRADING : 2

Fecha de Entrada 13/7/87
Fecha de Salida 16/7/87
Pasa a Jefe Tercera
Nº. de Identificación 0992/87

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REFERENCE : B/ 0522

DATE : 11 June 1987

ZAMBIA : LOAN FROM THE PRC

1. On 24 May 1987 the People's Republic of China (PRC) granted Zambia a loan of US$13,4 million for an economic recovery programme. The interest-free loan is repayable over 10 years with a five year grace period. Remark : This programme took effect on 1 May 1987 and involves price, import and exchange rate control and restrictions on the repayment of foreign debt.

2. COMMENT

This is the first time Zambia has received aid since the termination of its agreement with the International Monetary Fund (IMF) on 1 May 1987.

DATE OF INFORMATION : June 1987
RELIABILITY GRADING : 2

SECRET

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REFERENCE : B/0425

DATE : 15 May 1987

ZIMBABWE : ECONOMIC INDICATORS

1. Additional Brudget :

a. On 14 April 1987 Zimbabwe's Minister of Finance, Economic Planning and Development, Mr Bernard CHIDZERO, presented an additional budget of US$103 million (which represents an increase of 3,6 percent to the main budget) for the 1986/87 financial year ending 30 June 1987.

b. Comment : The budget deficit for the 1986/87 financial year was set on US$635 million, which represents 21 percent of the budgeted income.

2. Import and Export Markets :

a. According to the latest statistics (January to September 1986) released by the Zimbabwean Central Statistical Office (CSO), South Africa was Zimbabwe's most important export market (10,6 percent), followed by Britain (9,2 percent), while Zimbabwe's most important import markets were South Africa (20,4 percent), West Germany (12,2 percent) and Britain (11,8 percent).

b. Zimbabwe's exports to South Africa increased during this period by 27,2 percent and its imports by 34,4 percent in comparison with the corresponding period in 1985.

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3. **Increase in Debt Commitments :**

a. Zimbabwe's Minister of Finance, Economic Planning and Development, Mr Bernard CHIDZERO, announced in Parliament on 3 April 1987 that Zimbabwe's total debt commitments had increased from US$1,01 billion in 1980 to US$3,15 billion in June 1986. The annual interest commitments on this amount has increased from US$60 million in 1980 to US$238,8 million in 1986.

b. Comment : Zimbabwe's escalating debt burden can rise considerably, on the short to medium term, since this state is becoming increasingly dependent on foreign aid to promote its exports and development projects. CHIDZERO announced on 1 April 1987 that two loans amounting to US$110 million had been granted to Zimbabwe by the Standard Chartered Bank and Barclays Bank for export promotion.

4. **Diplomatic Relations with Afghanistan :**

Remark - On 30 March 1987 Afghanistan and Zimbabwe established diplomatic relations at ambassadorial level. After Mozambique and Angola, Zimbabwe is the third southern African Frontline State to maintain relations with the pro-Soviet regime in Afghanistan.

DATE OF INFORMATION : May 1987
RELIABILITY GRADING : 2

SECRET

REFERENCE : B0419

DATE : 15 May 1987

ZIMBABWE : FAILING ECONOMIC PROSPECTS

1. A maximum negative growth rate of 3 percent is expected for 1987. During 1986 the Zimbabwean economy grew in real terms by a mere 0,2 percent.

2. Reasons for this anticipated poor economic growth are : the general adverse effect of reduced government grants for 1987 foreign exchange quotas to industry and trade, agricultural problems, increasing losses experienced by state-controlled enterprises and increased defence expenditure.

3. The Government foreign exchange grants to industry and trade for the first half of 1987 are approximately 50 percent less than for the previous six months. Consequently entrepreneurs in these sectors import less essential production inputs, which has already resulted in lower production, a drop in exports and the dismissal of workers. Declining exports result in reduced foreign exchange earnings and pose a restraint on the government's ability to repay foreign debt commitments for 1987 (approximately US$500 million). Remark : Zimbabwe's foreign debt commitments rose from US$ one billion in 1980 to US$3,2 billion in 1986.

4. With regard to the agricultural sector, the 1986/87 maize harvest is expected to be the lowest since 1980 after the government compelled farmers in 1986 to cultivate less maize. A situation caused primarily by the high financial burden on the government brought about by the maize surplus in 1986 and low rainfall figures in important maize producing regions. Input prices are exceeding producer prices, which leads to inter alia an increase of 27,3 percent in the the agricultural sector's debt burden from US$55 million in September 1985 to US$70 million in September 1986.

5. Zimbabwe's current budget deficit equals approximately 10,5 percent of the country's gross domestic product (GDP) for 1986. Major contributing factors are : the increase in expenditure (particularly with regard to defence, health, education and training) and increasing losses suffered by state-controlled enterprises. Consequently, limited funds to invest in the more productive sectors are available. Foreign investment in the country remains low and indications are that disinvestment is occurring. Unemployment is also on the increase and at this stage about 20 percent of the economically active population are unemployed.

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6. It would appear that economic realities have become vitally important to the government of Zimbabwe. For example, it was initially refused that the Confederation of Zimbabwean Industries (CZI), with the aid of leading businessmen, analyse the effect on the Zimbabwean economy of Commonwealth sanctions against South Africa. It was recently decided that the CZI should conduct such an analysis. Government statements that the international community does not expect MUGABE to implement sanctions against South Africa, and the OAU's agreement in this regard, enable the Zimbabwean government to postpone the implementation of sanctions to a more convenient time. The FLS leaders (southern African Frontline states - Angola, Zambia, Zimbabwe, Mozambique, Botswana, Tanzania) are exercizing increasing pressure on Western states to implement further measures against South Africa, in order to divert direct attention from FLS actions expected in this regard.

7. With regard to the introduction of Commonwealth sanctions against South Africa, even the most likely measure, namely the suspension of Zimbabwean air links with South Africa, becomes increasingly ineffective. Several airlines (eg Kenya, Tanzanian, Caledonian and Ethiopian Airways) introduced flights to Botswana during May 1987. Should Zimbabwe sever air links with South Africa, Western airlines and passengers from African countries will be able to travel via Gaborone, Botswana.

DATE OF INFORMATION : May 1987
RELIABILITY GRADING : 2

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REFERENCE : B/ 0543

DATE : 18 June 1987

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ZIMBABWE : LEADERSHIP CODE OF CONDUCT CRITICISED

1. In an article on the ZANU(PF) leadership code of conduct, the code is described as "undemocratic and a Utopian dream" as it forces socialist principles upon the leaders, while society operates on capitalist principles. Potential leaders will consequently not aspire to such positions. Remark : The article referred to appeared in the May 1987 issue of the Zimbabwe periodical Moto and contained the views of various academics from the University of Zimbabwe.

2. ELUCIDATION AND COMMENT

   a. The leadership code of conduct, which was adopted at the ZANU (PF) Party Congress of 1984, forbids party officials and leaders to render themselves guilty of corruption, receiving more than one salary, possessing more than two houses and more than 20 hectares of land, or a company, or holding shares in any company.

   b. Premier Robert MUGABE, who is a strong supporter of this code, encountered considerable opposition from several prominent ZANU(PF) leaders, particularly after he had ordered the Zimbabwe intelligence service (ZCIO) to investigate general adherence to the code. The Moto article, the first public protest against the code, could very well contribute towards creating an anti-code climate.

DATE OF INFORMATION : June 1987
RELIABILITY GRADING : 2

SECRET

REFERENCE : B/0521

DATE : 11 June 1987

ZIMBABWE : COMMERCIAL BANK PREDICTS A RECESSION

1. The Standard Chartered Bank of Zimbabwe bulletin of May 1987 predicted that Zimbabwe will experience a recession in the current financial year, mainly owing to serious drought conditions and the reduction in foreign exchange grants for the 1987/88 financial year.

2. According to the Bank the intensity of the recession will be determined by Zimbabwe's export markets, climatic conditions and the political situation in southern Africa. Confrontation with South Africa in respect of economic sanctions will worsen and prolong the recession. Remark : Prime Minister Robert MUGABE, who is morally bound to the implementation of sanctions against South Africa, has postponed the implementation date since it was not "convenient".

DATE OF INFORMATION : June 1987
RELIABILITY GRADING : 2

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REFERENCE : B/ 0519

DATE : 11 June 1987

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ZAIRE : NEW APPROVED IMF LOANS

On 15 May 1987 the International Monetary Fund (IMF) approved loans to Zaire amounting to US$130 million and US$178 million to be made available over periods of 12 months and 3 years respectively and used for boosting the current economic reform programme. Remark : Zaire's current debt amounts to US$6 billion of which about US$1 million is due to the IMF.

DATE OF INFORMATION : June 1987
RELIABILITY GRADING : 2

MINISTERIO DE DEFENSA NACIONAL
Informacion de Defensa
Fecha de Entrada 13/7/87
Fecha de Salida 16/7/87
Pasa a Jefe/Ficheros
Nº. de Identificación 0589/87

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REFERENCE : B/ 0421

DATE : 15 May 1987

NIGERIA : FINANCIAL DIFFICULTIES IN RESPECT OF DIPLOMATIC REPRESENTATION

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1. There are indications that Nigerian embassies are experiencing financial difficulties with expenditure as they seemingly have to cope with inadequate government allocation of funds. The Nigerian Foreign Minister warned during February 1987 that all Nigerian embassies would have to be closed by the end of March 1987 if his department did not receive supplementary budget allocations in the near future. <u>Remark</u> : The Foreign Affairs budget allocation for the 1987/88 financial year amounted to 79,7 million naira, which is 11 percent lower than the previous financial year.

2. ELUCIDATION AND COMMENT

   a. The depreciation of the Nigerian naira (83 percent since 1980) against the monetary units of diplomatic host countries aggravates the situation, since depreciation increases the cost of maintaining the embassies.

   b. Unfavourable exchange rates are attributable to the recession in world oil markets, lack of investment funds and lack of technical and managerial expertise to diversify and expand Nigeria's exports.

   c. Besides the decline in oil earnings (resulting in a 79,4 percent drop in export earnings, from US$26,8 billion in 1980 to only US$5,5 billion in 1986) Nigeria has to

repay foreign debt which has risen from US$6 billion to US$18 billion from 1980 to 1986. Consequently the Nigerian government is unable to generate sufficient income to sustain government expenditure.

d. Nigeria's estimated positive trade balance (of one billion US dollars) for 1987, due to higher oil prices, will not be sufficient to repay short term foreign debt. Nigeria could be compelled to re-schedule more than 80 percent of the country's debt in order to meet the current and additional balance of payment for 1987.

e. However, it is not expected that Nigeria would actually close down Nigerian embassies, as this would signify a scaling down of the value attached to diplomatic representation and adversely affect the country's diplomatic credibility. Such action would be contrary to the foreign policy objective to expand Nigeria's status and prestige on the African continent and internationally - a campaign that is being singularly and purposefully conducted irrespective of sacrifices and expenses.

DATE OF INFORMATION : May 1987
RELIABILITY GRADING : 2

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REFERENCE : B/ 0549

DATE : 18 June 1987

__SOUTH KOREA : NEW APPOINTMENTS IN SECURITY CIRCLES__

1. A new director for the South Korean National Security Planning Agency (NSPA), Mr AHN Moon-hyuk, and a new police chief, Mr KWON Bok-kyung, were appointed on 26 and 27 May 1987 respectively.

2. COMMENT

These appointments are the a result of a cabinet reshuffle on 26 May 1987 after the resignation of the former Premier, Mr LHO Shin-Yong. After being publicly criticised, he accepted responsibility for corruption and police brutality and resigned.

DATE OF INFORMATION : June 1987
RELIABILITY GRADING : 2

SECRET

REFERENCE : B/ 0430

DATE : 15 May 1987

ANGOLA : SOVIET BUREAU TO MONITOR ECONOMIC PROJECTS

1. **The Soviet Union has appointed Boris ASONOV as Economic Advisor in Angola and Head of a recently established bureau in Luanda as from 1 March 1987. He will be responsible for monitoring economic projects which involve Soviet technical and financial aid. This bureau will function independently from the Soviet Union's official diplomatic representation in Angola and will be manned by a staff of about 20 experts in the fields of agriculture, geology, civil enginering, mining and hydro-electrics.**

2. **In accordance with a current bilateral cooperation agreement, signed during March 1986, the Soviet Union is to provide Angola with technical and economic aid to the value of US$1 billion from 1986 to 1990.**

DATE OF INFORMATION : May 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0443

DATE : 15 May 1987

SOVIET UNION: WITHDRAWAL OF TROOPS FROM MONGOLIA

1. On 11 April 1987 the Soviet Union announced that a mechanized division and several military units had been withdrawn from Mongolia in accordance with an announcement in this regard issued on 15 January 1987.

2. COMMENT

   a. The withdrawal seemingly involved between 10 000 and 12 000 of the estimated 50 000 to 60 000 Soviet troops in Mongolia.

   b. Although the Soviet Union's purpose with this withdrawal is probably to create a favourable climate for negotiations with the People's Republic of China (PRC), the PRC voiced its scepticism since the Soviet troops had only been withdrawn from northern Mongolia and not from the south, along the Chinese border.

DATE OF INFORMATION : May 1987
RELIABILITY GRADING : 2

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REFERENCE : B/ 0447

DATE : 15 May 1987

BULGARIA : PRESIDENT VISITS THE PRC

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1. Pres Todor ZHIVKOV of Bulgaria is conducting a 14 day visit, which commenced on 5 May 1987, to the People's Republic of China (PRC).

2. COMMENT

   This is the first high level visit between these two countries in 25 years. In view of the fact that other East European states have normalised relations with the PRC during the past year Sino-Bulgarian relations are expected to follow the same course.

DATE OF INFORMATION : May 1987
RELIABILITY GRADING : 2

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REFERENCE : B/ 0448

DATE : 15 May 1987

EGYPT : POSSIBILITY OF REJOINING THE ARAB LEAGUE

1. On 8 April 1987 the Secretary-General of the Arab League, Mr Chedli KLIBI, announced that members of the League were willing to accept Egypt as a member if Egypt wished to rejoin. KLIBI's announcement was issued at a press conference held at the conclusion of an Arab League Foreign Ministers meeting held in Tunis, Tunisia. According to KLIBI, Egypt's return to the League could contribute towards the "total security" of the entire Arab world.

2. COMMENT

   a. After having signed the Camp David Agreement with Israel in 1979 Egypt's membership of the League was suspended. As a result of this most Arab and African states severed diplomatic relations with Egypt.

   b. It would seem that the majority of League members approve of Egypt's return. It is expected that certain radical members, such as Libya and Syria, will endeavour to prevent such an occurrence.

DATE OF INFORMATION : May 1987
RELIABILITY GRADING : 2

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REFERENCE : B/ 0444

FIELD REPORT

DATE : 15 May 1987

ZIMBABWE : VISIT TO CHINA AND NORTH KOREA

1. Prime Minister Robert MUGABE's visits to the People's Republic of China and North Korea during January 1987 apparently failed to produce the desired results. Zimbabwe's requests for aid to her "prior to independence allies" were not complied with. It was apparently MUGABE's intention to obtain material and financial assistance as well as assurance of support if action is taken against Zimbabwe by South Africa as a result of the implementation of Commonwealth sanctions.

2. Since China and North Korea are not rated as extremely wealthy countries it would seem that they are not in a position to guarantee such support (particularly in connection with Zimbabwe's trade and internal security) in the event of retaliation by South Africa. Furthermore, it would appear the close relations that were established prior to independence had not served as guarantee for further assistance, but that China and North Korea wished to derive certain benefits from such aid.

3. Premier MUGABE last paid China and North Korea an official visit in August 1985 with a view to consolidating mutual economic relations. Premier Kim Il SUNG (North Korea) and Premier ZHAO (China) officially visited Zimbabwe in 1982 and 1983 respectively.

DATE OF INFORMATION : May 1987
RELIABILITY GRADING : 3

SECRET

SECRET

REFERENCE : B/0435

DATE : 4 June 1987

LIBYA : *TALKS WITH THE SOVIET UNION*

1. The Libyan Minister of Foreign Affairs, Mr J A TALHI held talks with the Soviet Prime Minister, Mr N RYZHKOV, in Moscow on 5 May 1987 concerning the implementation of a long-term cooperation agreement regarding economic, scientific, trade and technological matters. Remark : This agreement was signed in October 1985.

2. COMMENT

   a. The talks were probably in connection with a report in the Washington Post (3 May 1987) that Libya had appealed to the People's Republic of China (PRC) for weapon supplies. The Soviet Union suspended all weapon supplies to Libya after the Libyans had suspended oil supplies to the Soviet Union in January 1987.

   b. Despite the traditional mistrust between Libya and the Soviet Union owing to, for instance, Col KADDAFI's unpredictable action and Libya's support for Iran, the Soviet Union is probably endeavouring to maintain relations with Libya in order to retain Soviet influence in North Africa, especially at the disadvantage of the PRC.

DATE OF INFORMATION : May 1987
RELIABILITY GRADING : 2

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SECRET

REFERENCE : B/ 0481

DATE : 4 June 1987

USSR : HIGH-LEVEL VISIT TO THE IVORY COAST

1. The Soviet Deputy Minister of Foreign Affairs for Africa, Mr Anatoli ADAMICHIN, arrived in the Ivory Coast on 28 April 1987 for a three-day visit during which he was to have held talks with President HOUPHOUET-BOIGNY and several Ministers on aspects of bilateral cooperation.

2. COMMENT

ADAMICHIN is the most senior Soviet official to visit the Ivory Coast since the resumption of diplomatic relations (that were severed in 1969 after the Ivory Coast accused the USSR of interfering in its domestic affairs) in February 1986. The visit was probably aimed at strengthening these relations.

DATE OF INFORMATION : May 1987
RELIABILITY GRADING : 2

SECRET

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REFERENCE : B/ 0493

DATE : 4 June 1987

MOZAMBIQUE : AGREEMENT WITH THE GDR

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1. Mozambique and the German Democratic Republic (GDR) signed an agreement on 4 April 1987 whereby the GDR will supply the state-controlled coal company Empressa Nacional de Carvao de Mozambique (CARBOMOC) with personnel, equipment and training for use by the Moatize coal mine in the Tete province in order to increase the present production of about 40 000 tons per annum to 60 000 tons per annum.

2. The US multinational company General Motors (GM) signed a barter agreement with CARBOMOC on 10 February 1987 in accordance with which GM will obtain exclusive rights to transport coal from Moatize to Beira and to ship it from there to the world markets.

DATE OF INFORMATION : May 1987
RELIABILITY GRADING : 2

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SECRET

REFERENCE : B/ 0494

DATE : 4 June 1987

ANGOLA : COMECON AID

1. Angola and the Council for Mutual Economic Assistance (COMECON) signed an economic aid agreement for 1987/88 in Luanda, (Angola), on 9 May 1987. In accordance with the agreement cooperation with and/or aid to Angola in the fields of agriculture, industry, education, health, foreign trade, transport and energy will take place. Remark : Further details concerning the extent and nature of the agreement is not known.

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2. COMMENT

Angola enjoys observer status at COMECON. This agreement between Angola and COMECON was signed during the first meeting of the Joint Economic Commission, established in October 1986.

DATE OF INFORMATION : May 1987
RELIABILITY GRADING : 2

SECRET

01 01

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REFERENCE : B/0501

DATE : 4 June 1987

USSR : GORBACHEV CONSOLIDATING HIS POWER BASE

1. During a visit by a US Congress delegation to the USSR in April 1987, Vladimir SCHERBITSKY (the only remaining BREZHNEV appointee in the Politburo of the Communist Party of the Soviet Union - CPSU) stated that in the past he did not agree with all aspects of GORBACHEV's reform policy, but that he now supports GORBACHEV's leadership and reform program. He said further that attempts are being made to settle internal disputes in the CPSU in order for the party to act as a closed, united front.

2. COMMENT

   a. Attempts by GORBACHEV since 1986 to remove SCHERBITSKY from the Politburo because of his "conservative orientation" probably played an important role in SCHERBITSKY's change of attitude.

   b. It appears that GORBACHEV is achieving success in uniting the critics and conservatives in the CPSU leadership in support of his reform policy. He is, however, still experiencing resistance from among the Central Committee members and lower levels of the CPSU.

DATE OF INFORMATION : May 1987
RELIABILITY GRADING : 2

SECRET

01 01

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SECRET

REFERENCE : B/ 0503

DATE : 4 June 1987

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ZIMBABWE : SUSPENSION OF UNITY TALKS

1. On 17 April 1987, during Zimbabwe's independence celebrations Prime Minister Robert MUGABE announced that the ruling ZANU(PF) Party's Central Committee (CC) decided to suspend the unity talks with the opposition party (ZAPU) since the talks have reached a deadlock and no progress was being made. The ZAPU leaders expressed their surprise as ZAPU had not received any warning of ZANU(PF)'s intentions. According to Mr Joshua NKOMO (ZAPU leader) the talks had not proved a failure at the conference table.

2. Before MUGABE's announcement there were positive speculations, especially among Zimbabwe's media and politicians, of successful unity being concluded after the independence celebrations. The serious problems, such as the allocation of party and government posts, the name of the new party and the party symbol had apparently been resolved and ZAPU's CC had given their approval to the merger with ZANU(PF). The two parties had also reached an agreement whereby ZAPU would support ZANU(PF) in order to obtain the required 70 percent vote to implement proposed constitutional changes during 1987.

3. ZANU(PF)'s decision against further unity talks with ZAPU appears to be the result of internal dispute and power competition in ZANU(PF). The "hawks" in ZANU(PF) are particularly involved

and have taken a strong stance against MUGABE's aspirations of unity. They fear that they will lose their positions and status in the government and the party with the inevitable changes that will occur in the power structures when senior ZAPU members are included in the Politburo and the CC. Remark : The Politburo nominates one candidate per constituency and all candidates for government and party posts, such as provincial governors and party chairmen.

4. These developments could influence MUGABE's intention to repeal certain clauses in the Constitution during 1987, including the abolition of 20 White seats in Parliament and the eventual institution of a one-party state. Should ZAPU decide to withold its promised support in this regard, MUGABE will have to rely on the support of independent White candidates. Anti-government elements could possibly intensify their actions and jeopardize MUGABE's attempts to stabilize the security situation (especially in Matabeleland) by establishing unity.

5. Indications are that, despite his involvement in the talks since 1986 and his attempts to force the talks, MUGABE does not posses sufficient power to counteract the influence of prominent party members or the ability to settle the power struggle among the various sub-groupings of the Shona tribe, especially between the Karangas and the Zezurus.

DATE OF INFORMATION : May 1987
RELIABILITY GRADING : 2

SECRET

REFERENCE : B/0420

DATE : 18 June 1987

SOUTH AFRICA : THE IMPLICATIONS OF UNEMPLOYMENT

1. Unemployment in South Africa, particularly amongst Black people, remains high. According to official figures for October 1986 released by the Central Statistical Service at the beginning of March 1987, approximately 1,1 million (or 18,1 percent) of economically active Black people in South Africa were unemployed. Of these 13,7 percent were men and 25,6 percent women, while the highest unemployment rate occurred in the age group 20 - 24.

2. Taken in regional context Natal had the highest unemployment figures (25,7 percent), followed by the Northern Cape (25,4 percent), Eastern Cape (22,5 percent), Northern Transvaal (21,2 percent) and the Pretoria-Witwatersrand-Vereeniging (PWV) area (18,2 percent).

3. In the past, particularly since 1984, unemployment has acted as a stimulus to unrest and unrest related incidents which varied in intensity in the different geographical regions, according to the degree to which such socio-economic problems had already been politicised.

4. During 1986 unemployment among Black people increased as a result of a slump in the motor trade caused by the economic recession. In the Eastern Cape the closing down or the transfer of entire vehicle assembly plants contributed primarily to the high unemployment rate, with detrimental effects on related industries. Due to a drop in sales and rising production costs

several enterprises were forced to initiate rationalisation programmes, which resulted in the dismissal of workers. An increase in the number of liquidations of business concerns, particularly in the Eastern Cape, contributed to higher unemployment figures.

5. Despite demands for higher wages by trade unions, particularly during 1986, the general financial position of Black people has already deteriorated as a result of disinvestment, selective sanctions introduced thus far, the high rate of unemployment and the resultant decline in the number of bread-winners per family since 1980. This situation leads to intensified exploitation of other socio-economic problems, which have already been widely politicised in certain areas.

6. In addition, disinvestment and present economic coercive measures against South Africa combine to increase unemployment, especially among the Black population. Regions most affected because of the concentration of certain industries (car manufactures, fruit and distillers) are the Eastern Cape, Western Cape and the Northern and Eastern Transvaal. Considering the present high unemployment together with the population growth rate of 2,3 percent per year (2,8 percent for Blacks) the economy must grow at a rate of at least 4,5 percent per year to make provision for additions to the labour market. It is expected that the economy will show a real growth rate of 2 to 3 percent in 1987, which in the light of the above statistics indicates a shortfall.

DATE OF INFORMATION : June 1987
RELIABILITY GRADING : 2

SECRET

REFERENCE : B/0431

DATE : 15 May 1987

AMC : STATEMENT REGARDING THE RENOUNCEMENT OF VIOLENCE

1. On 3 April 1987 Oliver TAMBO, Joe SLOVO and Chris HANI - members of the ANC's National Executive Committee (NEC) and Umkhonto we Sizwe (MK) - maintained (on Radio Freedom) that the ANC enjoys international approval and justification for the use of violence in South Africa, stating that the ANC would therefore continue with violent actions against the Government.

2. These three people allege that the renunciation of violence as a condition for negotiation is merely an attempt by the South African government to project an image of reasonableness.

DATE OF INFORMATION : May 1987
RELIABILITY GRADING : 2

SECRET

Sudafrica

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SECRET

REFERENCE : B/0496

DATE : 4 June 1987

SWAPO : FOCUS OF INTERNATIONAL ATTENTION ON SWA/NAMIBIA

1. Sam NUJOMA is endeavouring to focus international attention on the SWA issue. His offer to sign a truce with South Africa forms part of the strategy since he wants to create the impression that SWAPO is the truly reasonable party.

2. On 4 May 1987, at a conference of the World Council of Churches (WCC) held in Lusaka, Zambia, NUJOMA maintained that SWAPO had been "forced" to continue with the armed struggle because of South Africa's "stubbornness" in connection with the implementation of Resolution 435. He is convinced that there is no alternative means by which SWA can gain its independence. It was on this occasion that he said SWAPO was prepared to sign a truce with South Africa and that the Church in SWA supported the "liberation struggle".

DATE OF INFORMATION : May 1987
RELIABILITY GRADING : 2

SECRET

REFERENCE : B/0440

DATE : 4 June 1987

CUBA

FIDEL CASTRO'S "RELIGIOUS BOOK" PROPAGATED IN SOUTH AFRICA

1. The Institute for Contextual Theology (ICT) is currently distributing a review of the book Fidel and Religion : Conversation with Frei Bretto by Fidel CASTRO of Cuba. The ICT recommends the book to all "Christians involved in the liberation struggle".

2. The following statements can be found in this book :

   a. The "revolutionary movement" must reveal the "right attitude" towards religion, and one of the most serious mistakes made by the "leftist movement" in South America was to encourage atheism.

   b. Despite his socialist tendencies he (CASTRO) feels himself strongly attracted by the person and teachings of Christ.

   c. He rejects the standpoint that the Liberation Theology is a mere Marxist tool for manipulating the Church.

DATE OF INFORMATION : May 1987

RELIABILITY GRADING : 2

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REFERENCE : B/0502

DATE : 4 June 1987

ZIMBABWE : DISMISSAL OF PROVINCIAL PARTY CHAIRMAN

1. On 4 May 1987 Mr Edgar TEKERE (Provincial Chairman of ZANU(PF) in Manicaland) was removed from office. He was accused of shirking his responsibilities and harming the image of ZANU(PF) by his consistent misconduct.

2. ELUCIDATION AND COMMENT

   a. TEKERE is the second prominent party official to be dismissed on these counts during the past five months. In 1981 he was relieved of his post as Minister of Manpower, Planning and Development after having been charged with the murder of a White farmer. In February 1986 he was involved in an attack on an Anglican cathedral in which about 500 youngsters took part. They disrupted the service, shouted political slogans and occupied the premises for 14 days.

   b. The abovementioned measure is probably a further implementation of the Leadership Code of Conduct (1984) as laid down by the Politburo in an attempt to purge the party leadership. This code prohibits corruption, acts of immorality, the ownership of business enterprises by party members and appearing in public in a drunken state.

DATE OF INFORMATION : May 1987

RELIABILITY GRADING : 2

SECRET

01.01 8705130.

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SUBJECT	:	USSR PERSONNEL IN MOZAMBIQUE, TANZANIA, ZAMBIA, BOTSWANA AND ZIMBABWE
SOURCE	:	B
INFORMATION	:	3
DATE	:	DEC 86
DISTRIBUTION RESTRICTION	:	NOT FOR RELIAISON

SOVIET PERSONNEL IN MOZAMBIQUE

1. Currently there are approximately 900 Soviet military personnel present in Mozambique which are deployed on brigade- provincial- and FAM HQ level. As far as the FAM HQ is concerned, there are Soviet advisors for the FAM Chief of Staff, as well as for the Chief of the Operations, Reconnaissance, Mobilisation and Communications Directorates. The involvement of Soviet personnel in the command and control system of the Mozambican security forces ensure that they have a dominant influence on decisions taken by staff officers. Apart from the above mentioned involvement, the Soviet advisors are also involved with aspects such as operational planning and electronic warfare. Remark. The document found at the site of the Machel-crash revealed that Soviet personnel were involved in joint planning with FAM of operations against Renamo in the Zambezia province. Soviet instructors are mainly involved with training at the Military academy at Nampula and at the air force base at Nacala. They give instruction to TGF (Border patrol units), special forces, mechanised infantry and armoured forces. Specialized courses eg radar, pilot and communications training take place in the USSR. During Nov 86, 14 Soviet military instructors arrived in the Gaza province to train a FAM "commando-unit" of approximately 600 men.

2. The Soviet aircraft operated by FPA in Mozambique are piloted by both Mozambican and Soviets. AN-26 and Mig-17 aircraft are piloted mainly by Mozambicans while MI-8 helicopters are operated by Mozambicans and mixed Soviet/Mozambican crews. Aeroflot AN-12, AN-26 aircraft and the IL-62 are piloted exclusively by Soviet crews. Mig 21 fighter and MI-25 helicopters are operated by both Mozambicans and Soviets. The Soviet pilots do not fly operational sorties against Renamo and only pilot the aircraft in an instructional role. Remark. Previously 10 Soviet Mig-21 pilots were present in Mozambique. During Nov 86, 12 Soviet Mig-21 pilots arrived in Mozambique. It is not known whether these pilots are replacing or supplementing the existing 10 pilots. A limited degree of military support is also given to the Mozambique Navy (FPM).

3. A decision was taken on 21 Oct 86 by the Politburo of the Communist Party of the Soviet Union to move "non-uniformed" Soviet Bloc personnel from the Middle East to Mozambique in order to protect Soviet interests in Mozambique following Pres Machel's death. Remark. An unconfirmed report indicates that Soviet and Soviet surrogate personnel started to arrive in Maputo with Aeroflot at the end of Oct 86.

SOVIET PERSONNEL IN TANZANIA

4. The Soviet Union committed itself in 1972 to assist Tanzania militarily. Currently there are 150 Soviet military advisers/instructors in Tanzania. They are involved in the training of ground forces (infantry, tank forces, artillery) and of the air force (technical training, training of flight instructors etc) as well as in the Tanzanian Navy.

SOVIET INVOLVEMENT IN ZAMBIA AND BOTSWANA

ZAMBIA

5 Soviet military aid to the Zambian Defence Force (ZDF) included the delivery of MIG-21 aircraft, T-54/55 tanks, 130mm field guns, SA-3 missiles, PT-76 tanks and radar equipment.

6. There are 450 Soviet military personnel in Zambia, of which 130 are military advisers. They are involved in pilot-, radar-, anti-aircraft-, artillery- and armour training. They also assist the ZDF in maintaining aircraft-, radar- and missile installations. They are mainly located in Lusaka, Mumbwa and Livingstone.

7. Since 1985 the Soviets are assisting the ZDF in the planning of a new armoured Regiment, as well as a BRDM-2 Regt, currently known as 17 Arm Regt.

8. The Soviet Union may supply Zambia, with T-62 tanks and APC's (type unknown). This information is unconfirmed.

USSR PERSONNEL IN ZIMBABWE

The main Soviet involvement in Zimbabwe centres around the presence of numerous embassy staff members. In addition to these members the KGB is also represented in Zimbabwe. Zimbabwe strictly regulates the number of Soviet diplomats in Zimbabwe but the USSR compensates for this with a constant flow of visiting diplomats. The USSR has a limited number of economic and trade advisors in Zimbabwe. A few Soviet journalists completes the USSR presence in Zimbabwe.

BOTSWANA

10 Current Soviet Military involvement in the Botswana Defence Force (BDF) is minimal. Approximately five Soviet military peronnel are working at the Seretse Khama airport. The Soviet Union supplied Botswana with BTR60 PB and BRDM-2 armoured vehicles, machine guns, rocket launches, SA-7 missiles, 82mm mortars, AKM rifles and ammunition. This occurred up to 1980.

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REFERENCE : B/ 0486

DATE : 4 June 1987

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SIERRA LEONE : DEFENCE FORCE ALERT

1. President Joseph MOMOH of Sierra Leone placed the defence force on alert at the end of April 1987 following rumours of a further coup attempt by mercenaries and the continued unstable security situation in the country.

2. ELUCIDATION AND COMMENT

   a. On 23 March 1987 senior police officers, with the support of prominent and influential Lebanese businessmen, attempted to overthrow MOMOH's government.

   b. Lebanese businessmen have a significant influence on the political situation in Sierra Leone. Pres MOMOH has not been able to restrain the influence of these businessmen or to ensure political stability in the country.

DATE OF INFORMATION : May 1987
RELIABILITY GRADING : 2

SECRET

01 .01 8705133

REFERENCE : B/ 0547

DATE : 18 June 1987

135

SIERRA LEONE : FOLLOW-UP ACTIONS AFTER THE COUP ATTEMPT

1. The Sierra Leone Police announced on 22 May 1987 that, as part of the purge campaign after the coup attempt in March 1987, Kassim ALIE (financial advisor of the Lebanese businessman Jamil Said MOHAMED) has been accused of high treason. Remark : 30 illegal Lebanese immigrants were arrested during the campaign.

2. President MOMOH of Sierra Leone said in a press conference on 22 May 1987 that if evidence indicated that MOHAMED (presently in Britain) was involved in the attempted coup, attempts would be made to have him extradited.

3. COMMENT

This is a further attempt by MOMOH to restrict the influence of Lebanese businessmen (especially those who worked closely with MOHAMED and who controlled Sierra Leone's diamond and gold sectors) in order to stabilize the political situation in the country.

DATE OF INFORMATION : June 1987

RELIABILITY GRADING : 2

01 .01 8705134

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Tomo 023/87

Enlace Sudafricano

SECRET

REFERENCE : B/ 0515

DATE : 11 June 1987

<u>SOVIET UNION : POLICY ADJUSTMENTS WITH REGARD TO DISSIDENTS AND EMIGRANTS</u>

1. The recent unexpected release of a large number of political dissidents and increased emigration figures of Soviet Jews to the West have created uncertainty as to Mikhail GORBACHEV's sincerity and motives with regard to human rights in the Soviet Union.

2. According to the Soviet Union 150 political dissidents have already been released or their restriction orders lifted (including Dr A SAKAROV). Western human rights experts say that this figure actually amounts to 60 dissidents. About 1 400 Soviet Jews have already been allowed to emigrate during the period January to the end of April 1987.

3. The Soviet Union is denying allegations that about 12 000 Jews will be allowed to emigrate during 1987, and is apparently not prepared to commit itself to a particular number. The categories of individuals allowed to emigrate have furthermore been restricted by new regulations.

4. These steps, coinciding with GORBACHEV's broader adjustments, have evoked extensive reaction inside the Soviet Union and abroad. The average Soviet citizen is traditionally relatively uninvolved in basic political and human rights issues, as Soviet history indicates government interests are placed above the welfare and rights of the individual. GORBACHEV is also

experiencing resistance from dogmatic circles in the Communist Party of the Soviet Union (CPSU) who are concerned that these concessions may weaken the pure application of Socialism and the control of the Party. Although it appears that the KGB is, in principle, in favour of GORBACHEV's reforms, there are also elements in this politically important and powerful institution who question the release of political dissidents.

5. The release of dissidents and a more affable attitude with regard to the emigration of Soviet Jews is probably an attempt by GORBACHEV to win the confidence and support of Soviet intellectuals for his initiatives and to reduce Western criticism of the Soviet human rights policy, thus creating a political climate for improved cooperation with the West.

DATE OF INFORMATION : June 1987
RELIABILITY GRADING : 2

JUNIO DE 1987.-

UNION SOVIETICA: POLITICA DE AJUSTE EN RELACION A DISIDENTES Y EMIGRANTES

1.- La reciente e inesperada liberación de un número de disidentes y la creciente migracion de Judíos soviéticos hacia Occidente, ha creado cierta incertidumbre acerca de la sinceridad de Gorbachev y la motivación en relación a los Dchos. Humanos en la U.Sov.

2.- Según estimaciones soviéticas 150 disidentes politicos han sido ya liberados, o levantadas las restricciones que pesaban sobre ellos, incluído A. Sakarov. Los expertos sobre Dchos.Hum. de Occidente, estiman que la cifra es actualmente de 60 disidentes. En el periódo comprendido entre Enero y Abril de 1987, han emigrado alrededor de 1.400 Judíos Soviéticos

3.- La U.Sov. niega alegatos acerca de que, durante 1987, se les permitiría emigrar a unos 12.000 Judíos, y no se ha estipulado una cifra determinada. De aquí en más la categoría de individuos permitidos emigrar se verá restringida por nuevas regulaciones.-

4.- Estos pasos, coincidentes con la ampliación de ajustes efectuados por Gorbachev, han provocado extensas reacciones dentro de la Unión Soviética y en el exterior. El ciudadano soviético medio, , tradicionalmente, no se involucra con temas relativos a política y derechos humanos, como la historia Soviética lo indica, del gobierno, radica en el bienestar y el derecho del individuo.
Gorbachev, está experimentando además la resistencia de los círculos dogmáticos del P.C.de la U.Sov. quienes están preocupados porque estas concesiones puedan debilitar la aplicación pura del Socialismo y el control del Partido. Aunque la KGB aparece, en principio a favor de las reformas, de Gorbachev, existen también elementos de esta importante y poderosa institución que cuestiona la liberación de disidentes políticos.-

5.- La liberación de disidentes y una más afable actitud por parte de Gorbachev, es probablemente un intento de este para obtener la confianza y el apoyo de los intelectuales soviéticos por su iniciativa, y de atemperar las críticas por parte de Occidente, sobre la política de derechos humanos, creando así un clima político favorable para mejorar la cooperación con Occidente.-

...

El promedio del ciudadano soviético, tradicionalmente no es muy adepto a involucrarse con temas básicos como política y dchos humanos, como la historia Soviética lo indica, el ~~interés del gob~~ gobierno está abocado ~~[illegible]~~ al bienestar y la reglamentación o el derecho dcho del individuo.

PROD. SUDAFRICAN. CHUZA ARGENTINA

Indice Numérico

IMPORTANTE

En el Apéndice de este ejemplar, a partir de la pág. 54, se publica:

- Ley 23.472 - Creación del Fondo de Garantía de Créditos Laborales -
- D. 378/87 (Municip.) - Calendario fiscal para el año 1987 -
- Información sobre Indices de Precios.

PARTES POCO LEGIBLE

01 .08

/35

Legislación Nacional

Leyes

LEY 23.412

Autorización a la Secretaría de Justicia para celebrar con entidades públicas o privadas convenios de cooperación técnica y financiera a esa Secretaría, Direcciones y demás organismos de su dependencia, en los términos y con los alcances de la ley 23.283.

Sanción: 1 octubre 1986.
Promulgación: 10 octubre 1986.
Publicación: B. O. 29/12/86 (Suplemento Especial).

Citas legales: ley 23.283: XLV-D, 3812.

Art. 1° — El Poder Ejecutivo nacional podrá autorizar a la Secretaría de Justicia a celebrar, mediante contratación directa, convenios con entidades públicas o privadas que tengan por objeto la cooperación técnica y financiera de éstas con dicha Secretaría y con las Direcciones y demás organismos de su dependencia, en los términos y con los alcances establecidos en la ley 23.283.

En cada convenio se determinará la Dirección o Direcciones, área o sectores de la Secretaría de Justicia en las cuales se aplicará la cooperación técnica y financiera que en él se acuerde, como asimismo la unidad orgánica que ejercerá las facultades que el art. 5° de la ley 23.283 otorga a la Dirección Nacional de los Registros Nacionales de la Propiedad del Automotor y de Créditos Prendarios.

Art. 2° — Las entidades que actúen como entes cooperadores podrán suministrar los servicios y elementos que determine la Secretaría de Justicia de acuerdo a las modalidades propias de las direcciones, áreas o sectores donde se aplique la cooperación técnica y financiera en los términos y con los alcances previstos en el art. 7° de la ley 23.283. En cada caso la Secretaría de Justicia indicará los elementos y servicios que podrán ser suministrados con carácter exclusivo por los entes cooperadores.

Art. 3° — La Secretaría de Justicia podrá establecer que determinados trámites que se realicen ante las Direcciones y demás organismos de su dependencia, se presenten mediante el uso de formularios o solicitudes tipo. Las respectivas Direcciones u organismos establecerán el contenido y los requisitos de validez de dichos formularios o solicitudes tipo.

Art. 4° — Comuníquese, etc.

LEY 23.493

Convenio sobre cooperación en la esfera de la actividad pesquera celebrado con la Unión de Repúblicas Socialistas Soviéticas el 28/7/86 — Aprobación.

Sanción: 23 diciembre 1986.
Promulgación: 13 enero 1987.
Publicación: B. O. 15/1/87.

Art. 1° — Apruébase el convenio sobre cooperación en la esfera de la actividad pesquera entre el Gobierno de la República Argentina y el Gobierno de la Unión de Repúblicas Socialistas Soviéticas, firmado en Buenos Aires el 28 de julio de 1986 cuyo texto original en idioma español, que consta de diecinueve (19) artículos, en fotocopia autenticada forma parte de la presente ley.

Art. 2° — En ocasión de la firma de la ratificación del convenio de que se trata, el Poder Ejecutivo dejará constancia de lo siguiente:

Que la mención de la parte sudoccidental del Océano Atlántico comprende la totalidad de las aguas adyacentes a los territorios continental e insulares, cuya soberanía y jurisdicción corresponden a la Nación Argentina en virtud de los antecedentes y reclamaciones reiteradamente expuestos ante la comunidad y foros internacionales.

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Art. 9° — Comuníquese, etc.

CONVENIO ENTRE
EL GOBIERNO DE LA
REPUBLICA ARGENTINA Y
EL GOBIERNO DE LA UNION DE
REPUBLICAS SOCIALISTAS
SOVIETICAS
SOBRE COOPERACION EN LA
ESFERA DE LA ACTIVIDAD
PESQUERA

El Gobierno de la República Argentina y el Gobierno de la Unión de Repúblicas Socialistas Soviéticas, en adelante las Partes,

Sobre la base de las relaciones amistosas existentes entre los dos países,

Tomando en consideración el interés común en la conservación, la óptima utilización y regulación de los recursos vivos del mar en la parte sudoccidental del Océano Atlántico,

Teniendo en cuenta la convención de las Naciones Unidas sobre el Derecho del Mar,

Teniendo en cuenta la promoción y reactivación de la actividad pesquera en la República Argentina y estableciendo los principios y condiciones de acuerdo con los cuales se deberá llevar a cabo la cooperación entre las Partes en la esfera de la actividad pesquera,

Dedicando una atención especial a la importancia de las investigaciones científicas en el campo de las actividades pesqueras,

Deseando desarrollar una fecunda, duradera y mutuamente beneficiosa cooperación económica en la esfera de la actividad pesquera,

Acuerdan lo siguiente:

ARTICULO 1

Las Partes se comprometen a cooperar sobre una base mutuamente beneficiosa, en la esfera de la actividad pesquera, de acuerdo con los principios y normas del derecho internacional y del derecho del mar, incluyendo la conservación y utilización óptima de los recursos vivos del mar, en la parte sudoccidental del Océano Atlántico.

ARTICULO 2

La Parte Argentina se compromete a admitir a los buques bajo bandera de la Unión de Repúblicas Socialistas Soviéticas el acceso a la pesca en la Zona Económica Exclusiva de la República Argentina, denominada en adelante, "Zona", sobre una parte del excedente de la captura permisible de los recursos vivos del mar de conformidad con los términos y condiciones establecidos en el presente convenio.

ARTICULO 3

La Parte Argentina se compromete a otorgar facilidades portuarias para los buques de la Unión de Repúblicas Socialistas Soviéticas comprendidos en el presente convenio, incluyendo facilidades para el cambio de tripulación, reparaciones y avituallamiento, requeridas para el mejor cumplimiento del presente convenio, según las leyes, normas y reglamentos administrativos argentinos.

ARTICULO 4

La Parte Argentina, en ejercicio de sus derechos soberanos sobre los recursos vivos de la zona, determinará cada año a través de la autoridad de aplicación:

a) La captura permisible de cada especie y en conjunto teniendo en cuenta los mejores datos científicos de que disponga, con arreglo a los factores ambientales y otros pertinentes, prestando especial atención a la interdependencia de las poblaciones, modalidades de pesca, los estándares internacionales y otros factores relevantes.

b) La capacidad de captura de la flota argentina respecto de cada especie.

c) El excedente de captura permisible de cada especie que no haya sido capturado por la flota argentina.

d) La parte del excedente de captura permisible de cada especie y total que se permitirá capturar a los buques de bandera de la Unión de Repúblicas Socialistas Soviéticas.

ARTICULO 5

La Parte Argentina, a través de la autoridad de aplicación, determinará cada año en relación con la parte del excedente a que se refiere el art. 4°, inc. d) del presente convenio:

a) Las áreas y los períodos o temporadas en que la pesca será permitida, limitada o dirigida.

b) Las especies, poblaciones, medidas, cantidades, peso, sexo, captura accidental, biomasa total y otros factores en áreas determinadas.

c) El tamaño, tipo y número de buques y el número de días en que cada buque o el total de la flota pueda operar en pesca en determinadas áreas o para la pesca de determinada especie de recursos vivos del mar y el tipo, tamaño y cantidad de aparejos que pueda utilizarse.

ARTICULO 6

La Parte Argentina, a través de su autoridad de aplicación dará a conocer a la Parte Soviética, en tiempo oportuno, las especificaciones indicadas en los arts. 4° y 5°, así como toda nueva reglamentación pertinente, a fin de facilitar la realización de los acuerdos complementarios que se celebren sobre la base del presente convenio.

PARTES POCO LEGIBLE

ARTICULO 7

La Parte Soviética tomará las medidas necesarias para que:

a) Sus ciudadanos y buques pesqueros no realicen actividades de pesca de recursos vivos del mar en la zona si no cuentan con los respectivos permisos de pesca otorgados por la Parte Argentina.

b) Los buques de la Unión de Repúblicas Socialistas Soviéticas que tengan permiso de pesca para realizar capturas en la zona observen los términos del presente convenio, los acuerdos complementarios y las leyes y reglamentaciones de la República Argentina en lo que se refiere a la conservación de los recursos vivos del mar en la zona.

c) Los buques de la Unión de Repúblicas Socialistas Soviéticas permitan y faciliten el acceso a bordo de los funcionarios competentes de la Parte Argentina con el objeto de inspeccionar y controlar el cumplimiento del presente convenio, de los acuerdos complementarios y de las leyes y reglamentaciones argentinas sobre la pesca en la zona.

d) Los buques pesqueros de la Unión de Repúblicas Socialistas Soviéticas observen las indicaciones de las autoridades competentes argentinas que se refieran al régimen de pesca en la zona.

ARTICULO 8

Las Partes se comprometen a estudiar las cuestiones relativas a la ampliación del mercado de la Unión de Repúblicas Socialistas Soviéticas para la producción pesquera argentina y asimismo la disminución o eliminación de las restricciones tarifarias y no tarifarias para la producción pesquera.

ARTICULO 9

Las Partes acuerdan implementar el presente convenio mediante acuerdos complementarios a concluirse sobre una base mutuamente beneficiosa, entre empresas y organizaciones pertenecientes a las Partes, para la explotación conjunta de los recursos vivos del mar de la zona bajo la forma de joint ventures.

Las Partes estudiarán, asimismo, otras formas de cooperación.

Las empresas y organizaciones argentinas que concluyan con las empresas y organizaciones soviéticas acuerdos complementarios de joint ventures deberán encontrarse en actividad y contar con antecedentes en el sector pesquero.

La Parte Argentina, a través de su autoridad de aplicación, determinará los demás requisitos y condiciones a que deberán ajustarse las empresas y organizaciones argentinas para estar en condiciones de actuar en el ámbito del presente convenio.

Las empresas y organizaciones soviéticas contratantes que concluyan acuerdos complementarios de joint ventures con las empresas y organizaciones argentinas correspondientes no deben tener asentamientos de explotación de los recursos vivos del mar de la zona o actividad económica alguna en el sector de pesca en la República Argentina anteriores a la entrada en vigor del presente convenio.

ARTICULO 10

Las Partes convienen que los acuerdos complementarios deberán contemplar lo siguiente:

a) El compromiso por parte de la empresa soviética contratante de comprar —sea en forma directa o a través de empresas vinculadas con participación soviética— una parte de la producción pesquera elaborada por la empresa argentina contratante, tomando en consideración los volúmenes de captura de los buques bajo bandera de la Unión de Repúblicas Socialistas Soviéticas autorizados en el área indicada en el art. 5 del presente convenio.

El volumen de la producción pesquera a comprar y su valor se determinarán por acuerdo entre las empresas contratantes del joint venture sujeto a la aprobación de la autoridad argentina de aplicación.

b) El compromiso de la empresa soviética contratante de enviar con destino a la Unión de Repúblicas Socialistas Soviéticas la parte de producción pesquera que le corresponde en virtud del acuerdo complementario.

c) El compromiso de la empresa soviética contratante que opere con buques bajo bandera de la Unión de Repúblicas Socialistas Soviéticas autorizados a la pesca en la zona de conformidad con los acuerdos complementarios, de utilizar solamente los puertos argentinos y contratar los servicios portuarios que necesite por intermedio de empresas argentinas, excluyendo los servicios por cambio de tripulación y reparación naval efectuada por la propia tripulación.

d) Los buques de bandera soviética autorizados deberán descargar sus capturas en puertos argentinos ya sea para efectuar transbordo a otros buques o en tránsito para su reembarque, o realizar el alije de sus capturas bajo control de las autoridades competentes argentinas en zonas de fácil acceso. Si las partes lo acuerdan, el alije podrá hacerse en la zona, corriendo por cuenta del joint venture los gastos de permanencia del personal argentino de control.

e) Las tripulaciones de los buques de bandera soviética autorizados estarán integradas por un porcentaje mínimo del 10 % de ciudadanos argentinos debidamente habilitados por la autoridad argentina. Los sala-

nos, seguros sociales, indemnizaciones y otros gastos que demande la permanencia a bordo del personal argentino correrán por cuenta del joint venture. La distribución en los buques y las condiciones que debe reunir el personal argentino se determinarán por el joint venture.

f) Las empresas soviéticas contratantes del joint venture aceptarán, si lo fuera requerido, el embarque a bordo de buques bajo bandera de la Unión de Repúblicas Socialistas Soviéticas de un representante de la autoridad argentina de aplicación y/o de la empresa argentina contratante del joint venture, siendo los salarios, seguros sociales, indemnizaciones y otros gastos a cargo de su mandante.

g) El cumplimiento y ejecución de los acuerdos complementarios se realizará de acuerdo con la legislación y jurisdicción argentinas.

h) Las empresas contratantes del joint venture serán responsables conjuntamente por el cumplimiento de las disposiciones del presente convenio y de la legislación argentina en cuanto les resulten aplicables, y por el cumplimiento de los acuerdos complementarios.

i) El plazo de vigencia de los acuerdos complementarios no superará el año.

ARTICULO 11

La Parte Argentina, a través de su autoridad de aplicación verificará con carácter previo a la inscripción prevista en el art. 12 si los acuerdos complementarios se adecuan al presente convenio y a las leyes argentinas de pesca y, en su caso, concederá los respectivos permisos de pesca a los buques bajo bandera de la Unión de Repúblicas Socialistas Soviéticas.

La Parte Argentina, a través de su autoridad de aplicación verificará asimismo, durante la ejecución de los acuerdos complementarios, el cumplimiento de las disposiciones del presente convenio, de los acuerdos complementarios y de las leyes argentinas de pesca.

ARTICULO 12

[illegible] Parte Argentina, a través de la autoridad de aplicación, habilitará un registro especial en el que deberán inscribirse:

a) Los acuerdos complementarios que se celebren con motivo del presente convenio.

b) Los permisos de pesca concedidos en virtud de los respectivos acuerdos complementarios.

c) Los buques de bandera soviética que tengan permisos de pesca y los roles de su tripulación.

La inscripción de los acuerdos complementarios estará sujeta a pago de un canon por parte del joint venture, el [illegible] será administrado por la autoridad de aplicación argentina.

En los casos en que por razones de fuerza mayor o reparaciones de plano de arreglo general algún buque de bandera de la Unión de Repúblicas Socialistas Soviéticas que cuente con permiso de pesca o miembros de su tripulación tengan que ser sustituidos, se inscribirá esta sustitución en el registro especial con la debida anticipación.

ARTICULO 13

Las autoridades de aplicación del presente convenio serán, por Parte argentina, la Secretaría de Agricultura, Ganadería y Pesca del Ministerio de Economía de la República Argentina, y por Parte soviética, el Ministerio de la Industria Pesquera de la Unión de Repúblicas Socialistas Soviéticas.

ARTICULO 14

Las Partes acordarán directamente o por medio de las organizaciones internacionales apropiadas las medidas necesarias para asegurar la conservación en el área adyacente a la zona, de la población y poblaciones de especies asociadas que se encuentren tanto en la zona como en la referida área adyacente.

ARTICULO 15

Las Partes se comprometen a colaborar en la ejecución de investigaciones científicas necesarias a los fines de la conservación, utilización óptima y regulación de los recursos vivos del mar en el área adyacente a la zona.

A tal fin se realizarán consultas entre los científicos y especialistas de las Partes para llevar a cabo tales investigaciones y para interpretar los resultados obtenidos.

Con el mismo propósito, las Partes se comprometen a comunicarse recíprocamente los datos de las capturas efectuadas por sus buques en el área adyacente y la información científica de pesca y estadística de que dispongan sobre la población y problaciones de especies asociadas que se encuentren tanto en la zona como en el área adyacente.

Las Partes se comprometen a realizar un intercambio recíproco de especialistas en la esfera de la actividad pesquera, así como de información sobre la tecnología de pesca industrial, técnica de elaboración, recuperación, conservación, utilización óptima y regulación de recursos vivos del mar.

ARTICULO 16

La Parte Soviética, con el objeto de promover el cumplimiento del presente convenio y desarrollar ulteriormente la colaboración en el campo de las actividades

PARTES POCO LEGIBLE

03/03

pesqueras acreditará ante el Ministerio de Relaciones Exteriores y Culto de la República Argentina como integrantes de la Embajada de la Unión de Repúblicas Socialistas Soviéticas un agregado para los asuntos pesqueros y dos ayudantes.

ARTICULO 17

Con el objeto de promover el cumplimiento del presente convenio y desarrollar ulteriormente la colaboración en materia de actividades pesqueras las Partes acuerdan constituir una comisión mixta argentino-soviética de pesca denominada en adelante "La Comisión Mixta".

La Comisión Mixta estará integrada por un representante y dos suplentes como máximo, designados por cada Parte.

La Comisión Mixta se reunirá por lo menos una vez al año alternativamente en las respectivas capitales, o en cualquier otro lugar de sus respectivos territorios que las Partes acuerden.

La Comisión Mixta analizará las cuestiones relacionadas con la ejecución del presente convenio y formulará a las Partes recomendaciones tendientes a su debido cumplimiento.

ARTICULO 18

Nada en el presente convenio puede considerarse como perjudicial con respecto a otros acuerdos entre las Partes o en relación con convenios y acuerdos multilaterales en que ambas sean parte o con respecto a sus respectivas posiciones en materia de derecho del mar.

ARTICULO 19

El presente convenio entrará en vigor en la fecha en que ambas Partes se intercambien las notas en las que se notifican recíprocamente la aprobación de conformidad con sus legislaciones nacionales.

El presente convenio estará en vigor por el término de dos (2) años y será tácitamente reconducido por períodos anuales, salvo que una de las Partes haga saber por escrito su voluntad en contrario con una anticipación de seis (6) meses respecto de la fecha de vencimiento.

Hecho en la ciudad de Buenos Aires a los veintiocho días del mes de julio de mil novecientos ochenta y seis en dos ejemplares originales, cada uno de ellos en los idiomas español y ruso, siendo ambos textos igualmente auténticos.

Por el Gobierno de la República Argentina.

Por el Gobierno de la Unión de Repúblicas Socialistas Soviéticas.

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Acuerdo sobre cooperación en materia de pesca celebrado con la República Popular de Bulgaria el 29/7/86 — Aprobación.

Sanción: 23 diciembre 1986.
Promulgación: 13 enero 1987.
Publicación: B. O. 15/1/87.

Art. 1° — Apruébase el acuerdo entre el Gobierno de la República Argentina y el Gobierno de la República Popular de Bulgaria sobre cooperación en materia de pesca, firmado en Buenos Aires el 29 de julio de 1986, cuyo texto original en idioma español, que consta de dieciséis (16) artículos, en fotocopia autenticada, forma parte de la presente ley.

Art. 2° — En ocasión de la firma de la ratificación del convenio de que se trata, el Poder Ejecutivo dejará constancia de lo siguiente:

Que la mención de la parte suboccidental del Océano Atlántico comprende la totalidad de las aguas adyacentes a los territorios continental e insulares, cuya soberanía y jurisdicción corresponden a la Nación Argentina en virtud de los antecedentes y reclamaciones reiteradamente expuestos ante la comunidad y foros internacionales.

Art. 3° — Comuníquese, etc.

ACUERDO ENTRE EL GOBIERNO DE LA REPUBLICA ARGENTINA Y EL GOBIERNO DE LA REPUBLICA POPULAR DE BULGARIA SOBRE COOPERACION EN MATERIA DE PESCA

El Gobierno de la República Argentina y el Gobierno de la República Popular de Bulgaria.

A fin de asegurar la efectiva conservación y administración de los recursos vivos, su óptima explotación y el empleo racional de la pesca en la zona económica exclusiva argentina.

Con el objeto de promover y reactivar la actividad pesquera en la República Argentina y sus fuentes de trabajo.

Teniendo en cuenta la convención de las Naciones Unidas sobre el derecho del mar.

Estableciendo entre ambos Gobiernos un común entendimiento sobre los principios, condiciones y procedimientos bajo los cuales la pesca pueda ser realizada en zona económica exclusiva argentina.

SECRET

REFERENCE : B/0450

DATE : 4 June 1987

CUBA : VISIT BY THE KGB CHIEF

1. The Chief of the KGB and a Politburo Member, Mr Viktor CHEBRIKOV, visited Cuba at the beginning of April 1987 at the invitation of the Cuban Communist Party. During the visit he informed Pres CASTRO of Mr Mikhail GORBACHEV's socio-economic and political reform policy.

2. **COMMENT**

   The Soviet Union probably used this occasion to exert pressure on Cuba to adjust its internal policy as Cuban policy is in sharp contrast to GORBACHEV's reforms.

3. **REQUEST**

   We would appreciate any additional information with regard to the abovementioned visit.

DATE OF INFORMATION : May 1987
RELIABILITY GRADING : 2

SECRET

Parte Especial de Inf. } Dr Sub-directores ANALISTAS Agencias Nacionales.

Visita Cuba Jefe de KGB

Información: mayo 1987
Eval A-2

1.- El Jefe de la KGB y Miembro del Politburó VIKTOR CHEBRIKOV, visitó Cuba a comienzos de Abril 1987 ante una invitación del P.C. cubano.- Durante la visita, informó a F. Castro acerca de las reformas políticas y socio-económicas de M. Gorbachev.

2.- Probablemente La Union Sovietica use esta visita para presionar a Cuba ajustar su política interna ya que esta tiene un agudo contraste con las reformas propuestas por Gorbachev.-

3.- Requerimiento

Apreciaríamos cualquier información adicional sobre la mencionada visita.-

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SECRET

REFERENCE : B/0517

DATE : 11 June 1987

IRAN : INCREASED AID TO "LIBERATION MOVEMENTS" IN AFRICA

1. On 12 May 1987 during an official visit to Kenya, Iran's Acting Foreign Minister, Mr Ali BESHARAT, announced that Iran was to render increased aid to "national liberation movements" in Africa. Remark : BESHARAT, accompanied by a delegation of six, is currently on an African tour.

2. COMMENT

Iran has increased its efforts to expand Iranian influence, and the associated diplomatic initiatives, in Africa during the past year.

DATE OF INFORMATION : June 1987
RELIABILITY GRADING : 2

REFERENCE : B/ 6390

DATE : 19 June 1985

LIBYA : POLITICAL SYSTEM AND GOVERNMENTAL STRUCTURE

CONTENTS | PAGE

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REFERENCE: B/ 6390
DATE : 19 JUNE 1985

LIBYA : POLITICAL SYSTEM AND GOVERNMENTAL STRUCTURE

1. INTRODUCTION

Since March 1977 Libya has been known as the "Libyan Socialist Arab People's Jamahiriya". The Jamahiriya or the "mass state system" implies that the people as a whole should participate in the government so that it can serve as an alternative for Capitalism and Communism. Consequently the Libyan leader calls it the "Third Universal Theory" in contrast with Capitalism and Communism, which are considered to be the first two theories. The idea is to create an Arab generation "free from intellectual influences, foreign moral values and from socio-economic restraints". These doctrines on "democratic socialism" contained in Kadhafi's Green Book (endorsed in 1977), signify the end of the republican era and the beginning of people's authority, the termination of traditional political structures and values as well as the commencement of an era of direct authority and sovereignty by and for the people. In the absence of political parties, parliamentary institutions and even a constitution that would be acceptable to the West, Libya could be regarded, theoretically, as being without government and head of state, yet in practice it probably amounts to being a totalitarian state with Col Kadhafi as its leader. The purpose of this study is to give an exposition of Libya's internal political philosophy and structure.

2. THE "THIRD UNIVERSAL THEORY"

KADHAFI rejects parliamentary democracy on the grounds that authority is placed in the hands of the members of parliament, whereas such powers, according to Kadhafi, should rest with the people. He hereby includes parliaments, social classes, political parties and referendums, maintaining that parliaments are undemocratic since, as in the case of classes or parties, power and authority is left in the hands of groups smaller than the population as a whole. According to KADHAFI, a parliamentary system is less democratic than a party or class system, because members of parliament often have no organisational links with the electorate, or act on behalf of parties representing only a section of the

community and are moreover dependent on propagandist exploitation. Since he regards the community as being pluralistic, he also disapproves of a party system, as the party is generally composed of members with mutual interests, ideas, cultures or religious views.

KADHAFI also disapproves of a government composed of representatives from a specific class (e g the workers). He argues that a workers' class that oppresses all other classes is merely the heir to the "old community" and will in due time reflect the same characteristics. The workers' class is in fact a separate community having in itself the same contradictions that marked the "old community" and would ultimately lead to a recommencement of the struggle for domination. KADHAFI maintains that any community subject to a class struggle, was originally composed of a single class, and that such a struggle originated from within this grouping as an inevitable evolution.

According to KADHAFI, the implement for change, ie a people's revolution, is merely a transitional phase to true liberation. Through revolution the populace frees itself from the Government and declares itself as the sovereign power. He regards this sovereignty as infallible and indivisible. Thus the sovereignty of the masses is not expressed merely by instituting people's congresses, but also finds expression in local people's committees whose primary function is to replace the traditional government administration. He further maintains that in a modern state there is room not only for people's congresses supported by work committees but also for professional and functional groups being represented in trade unions and syndicates, apart from their participation in people's congresses.

Finally, laws that have evolved from tradition or religion would form the moral basis for the community. This leaves no room for a head of state, consequently KADHAFI has formally laid down all offices and is known only as "Head of the 1 September Revolution", which is merely a temporary office in the transitional phase of the revolution.

3. POLITICAL SYSTEM

The new system vests power in the hands of the "masses" by way of so-called Central People's Congresses where each inhabitant of a particular area is entitled to expressing his/her views on a

regional basis. Besides this there are also People's Congresses for professional and functional groups represented by trade unions and syndicates. By means of an integrated system all officials thus remain responsible to the people via the Basic People's Congresses that hold their meetings according to a schedule. From the local and regional levels subjects to be debated are placed on the agenda of the General People's Congress at national level. Here, representatives from each Basic People's Congress are afforded the opportunity to submit decisions or inquiries to the General People's Congress. The views of the people are thus directly referred to the General People's Congress whence decisions are entrusted to the General People's Committee (cabinet) for execution.

4. POLITICAL STRUCTURE

a. The General People's Congress

The General People's Congress, with approximately 1 000 delegates, constitutes the primary political body in Libya and operates in a legislative capacity. This Congress, which usually meets once a year in February, is further responsible for appointing a general secretariate consisting of five members and a secretary-general as chairman. From amongst the ranks of the General People's Congress a general people's committe (cabinet) is appointed, with an elected secretary-general assuming the duties of "prime minister". Although the General People's Congress functions as the so-called legislative body, it is not a parliament in the true sense of the word, since the agenda still has to be approved and confirmed by the Basic People's Congresses. The legislative function of this body contains the formulation and enforcement of decisions made by the Basic People's Congresses.

b. The General Secretariate

The General Secretariate consists of five members and a secretary-general as head of the group. This Secretariate is responsible for the administration and coordination of the political process and the continued functioning of the system when the General People's Congress is not in session.

c. The General People's Committee

The General People's Committee comprises various secretariates, corresponding more or less to ministers and their departments in the traditional Western political system. Currently there are 19 such secretariates (departments), each with its own secretary (minister). At the head of the General People's Committee there is a secretary-general (prime minister). The various secretariates are responsible for the implementation of policies as proposed by the Basic People's Congresses and confirmed by the General People's Congress. It is to be noted that each member of the General People's Commitee (cabinet) is directly responsible to the members of the General People's Congress, who in their turn, in their capacity as delegates, are responsible to the Basic People's Congresses and therefore, in the final instance, to the people of Libya.

d. The Basic People's Congresses

Although the General People's Congress constitutes the primary political body, the 186 Basic People's Congresses in about 25 municipalities remain the most important institutions for decision-making. Each Basic People's Congress has approximately 3 000 members and usually hold three sessions per year. The agenda usually comprises a wide range of matters, from local events to national affairs, including Libya's position in regional and international politics. Representatives from each Basic People's Congress then convey decisions and points to be debated for inclusion on the agenda of the annual meeting of the General People's Congress. As already mentioned, these decisions are merely formulated and enforced after due deliberation and discussions. No subject for discussion or proposed legislation can therefore be placed on the agenda of the General People's Congress unless it has previously been approved by the Basic People's Congresses.

During meetings of the Basic People's Congress several permanent executive committees are appointed which are responsible for

current administration and the implementation of policies on for instance housing, education and health. Committee members are elected according to their fields of specialization and are accountable to the population via the Basic People's Congresses. People's Congresses in connection with professional and functional groups make their contributions and suggestions through representatives who are to attend the annual General People's Congress.

5. REVOLUTIONARY COMMITTEES

The Revolutionary Committees were established in 1979 as KADHAFI's "watchdogs" to monitor the activities of the executive committees, people's committees, the Basic People's Congresses and indirectly the entire system as well. There are about 25 such Revolutionary Committees with a total membership of approximately 2 000, said to represent all Libyan municipalities.

The appointments to these committees are done by KADHAFI's second-in-command, Maj JALLOUD, in conjunction with the Revolutionary Courts. The Revolutionary Committees are the influential groups on account of their direct involvement in political and military matters, and also because they are directly controlled by the surviving "free officers" who were actively in charge of the political situation until 1979, ie KADHAFI, JALLOUD, Abu Bakr YUNIS and Khweldi el HUMEIDI. These committees enjoy great freedom of action and are not under the same jurisdiction as e g the police and the armed forces.

Since the Revolutionary Committees are also responsible for the co-ordination of subversive activities of Libyan agents in neighbouring and other states, membership of these committees is not limited to Libyans only but includes individuals from other nationalities in order to increase the success rate of subversive operations.

Muhammed IBRAHIM, who (like KADHAFI) belongs to the nomadic Bedouins, is the chief ideologist of the Green March, official mouth-piece of the Revolutionary Committees. Apparently all articles published in the Green March are edited by him. Allegedly

the articles signed "Al-Zahaf Al Akhdhour" are written by KADHAFI himself.

By means of the Revolutionary Committees, KADHAFI and his three revolutionary partners monitor and control the entire Jamahiriya system, so that the government of Libya actually rests in their hands. In practice final decision-making lies with KADHAFI as leader of the revolution, while the Revolutionary Committees merely ensure that the congresses and committees "do not loose track".

6. THE REVOLUTIONARY COMMITTEE BUREAU

The Revolutionary Committee Bureau, headed by Abdul Salaam BUGHEILAS, is respousible for the administrative supervision and control of all the Revolutionary Committees. The secret offices of the Revolutionary Committee Bureau are situated at KADHAFI's Bab Aziziya headquarters. Indications are that the Committee Bureau is the instrument used by KADHAFI for exerting control over the Revolutionary Committees.

The so-called Operational Chamber (Ghurfa al Amaliyaat), headed by Abdallah HIJAZI, is part of the Revolutionary Committee Bureau, but functions independently with its own financial and administrative sources. The Operational Chamber is an important instrument in the hands of KADHAFI for executing his orders of intimidation and assassination of "any enemy of the revolution". Allegedly the Operational Chamber was instituted so that KADHAFI could exonerate himself by ascribing steps taken against political dissidents as "the result of the revolutionary enthusiasm of the masses in their eagerness to continue with the revolution". No further details about the Operational Chamber are available.

7. LIBYAN PEOPLE'S BUREAUX (EMBASSIES)

On 10 January 1981 the General People's Congress transformed the Libyan embassies into so-called People's Bureaux with the result that about six West-African states suspended their diplomatic relations with Libya because of the espionage activities of these Bureaux. The USA, for instance closed down the People's Bureau in Washington on account of Libyan espionage activities and planned assassination attempts on the lives of Libyan students in the USA.

The difference between embassies and the Libyan People's Bureaux lies in this that the latter are not operated by professional diplomats, but by so-called revolutionary students through whose activities there is direct interference in the domestic affairs of the host state. At the same time these People's Bureaux form a direct link between the people of Libya and Libyans living abroad. Besides dealing with diplomatic protocol the Libyan People's Bureaux abroad are thus primarily responsible for establishing Libyan pressure groups, spreading propaganda, performing intelligence activities, as well as for recruiting "anti-status quo" elements for subversion in the host state.

What is not generally known is that the function of the Libyan People's Bureaux abroad also has a cultural and religious dimension. It includes the establishment of cultural and Islamic centres that are actively involved in spreading pro-KADHAFI propaganda. The activities of such cultural centres are aimed at the young people in particular, while the Islamic centres, having at their disposal Koran schools and several mosques, aim at inciting the populations of poverty-stricken states to resistance, by arousing dissatisfaction with the current political system. The cultural and Islamic centres are therefore instruments in the hands of KADHAFI for furthering the revolution with a view to the ultimate implementation of the "Third Universal Theory".

8. POLITICAL PARTIES AND OTHER POLITICAL GROUPINGS

Political parties in Libya are forbidden on account of the "Third Universal Theory", which classifies political parties as instruments that disregard the will of the people.

Trade unions and associations have no powers and exist in name only. The General Trade Union of Libyan Workers and the Syncidate for Craftsmen are branches of the Secretariate (department) for Labour. They have no powers of negotiation or the right to call for strikes, but are merely responsible for safe-guarding the rights of workers employed by foreign firms, and to ensure that legislation in respect of leave and salaries is complied with.

DATE OF INFORMATION: JUNE 1985
RELIABILITY GRADING : B

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APPENDIX A

PROFILE OF MUAMMAR KADHAFI

1. Muammar KADHAFI was born in a goat-skin tent in September 1942 near Sirte in the province of Tripolitania at the shores of the Mediterranean. His parents belonged to a group of nomadic Bedouins who practised stock-farming. At the age of seven he received his first formal traditional schooling from an itinerant Muslim teacher. At the age of ten he was sent to the Islamic primary school near Sirte and in 1956, when he was 15, to the secondary school at Sebha. At this early age he took a lively interest in politics and made the acquaintance of Abdessalam JALLOUD, Abu Bakr YUNIS and other future partners in the revolution. He also founded a secret organisation which had as its objective to unite the Arab nation, but KADHAFI was expelled from school in 1961 because of "political agitation".

2. After his expulsion KADHAFI went to Misurata where he completed his secondary education and then continued his studies at the University of Tripoli. However, he left the University in 1963 to join the armed forces since he believed that this would provide him with better opportunities for realising his revolutionary goals. While studying at the Benghazi Military Academy he founded the Movement of Free Officers, organizing with the set purpose of overthrowing the regime of King IDRISS. In 1965 he graduated at the Military Academy and was promoted to the rank of second lieutenant. In 1966 he was sent to Britain for six months for an advanced course in panzer/armoured warfare. In August 1969, contrary to all expectations, he was not promoted to captain, with the result that he decided to advance the date of his planned coup d'etat, and on 1 September 1969 he took over the government after a bloodless coup.

3. Since 1969 KADHAFI's name has been closely associated with events in Libya. Until 1979 he was Secretary-General to the General People's Congress, after which he "withdrew" from the political

system in order to monitor and promote the continuation of the Revolution as "Head of the 1 September Revolution" by means of Revolutionary Committees that he instituted at all community levels. At the same time he promoted himself to the rank of colonel and Supreme Commander of the Armed Forces.

4. On 25 December 1969 KADHAFI married Fathia Nouri KHALED, a teacher, who subsequently gave birth to their son, Mohammed. In July 1970 he married a nurse, Wasfia, and a second son, Seif Al-Islam was born. In spite of the growing opposition to his regime, KADHAFI is still considered a charismatic and popular leader who has unlinited faith in himself. The fact that he took over the regime at the age of 27 convinced him that he had been predestined to lead his people. Although he is regarded as intelligent, sly and fanatical and labelled i e by pres REAGAN as "the world's greatest enemy", his personality is marked by several contradictions. He e g appreciates quietude and seclusion, but at the same time revels in crowds that he can sway by means of his rousing oratory. He often acts unpredictably and on impulse, yet plans with precision since he allegedly trusts no-one. At times he is depressed and then again full of energy, enjoying to travel across Libya and being called "Brother Colonel". He is ego-centric and intolerant of the viewpoints and arguments of those not sharing his ideas. Under the banner of his vision for a greater, prosperous Libya, with the people as the "true government", he reigns as non-official dictator. He could therefore be classified as a charismatic revolutionary leader.

5. KADHAFI has been ill on several occasions and has probably sustained various injuries in the almost 46 attempts to assassinate him. It is even rumoured that he suffers from venereal disease and that this has affected his mind. He is accused of being subject to all kinds of psychological disturbances, e g schizophrenia, also that he frequently has to receive psychiatric treatment and is addicted to narcotics. There is, however, insufficient proof of these allegations often made in an attempt to explain his unbalanced and sometimes excessive and impulsive behaviour.

6. As far as KADHAFI's ideological orientation is concerned one could mention three factors in particular that have strongly influenced him since the days of his youth: the Islamic faith and social

traditions of the Bedouins, Arab nationalist sentiments and the views held by ex-Pres NASSER of Egypt. KADHAFI sees himself as a leader with a definite mission and after NASSER's death he declared himself legal successor and leader of the Arab revolution. He believes that he has to preach the "absolute truth" to mankind and calls his truth the "Third Universal Theory", which is to serve as a third solution between Communism and Capitalism. With unveiled criticism against both Communism and Capitalism, regarded by him as means of exploitation, he deliniates the principles of his theory in the Green Book which is in the same category as MAO Se-dong's Red Book and contains three sections that respectively deal with his political, economic and social viewpoints. In brief the Green Book propagates i e the following political concepts:

- The rejection of a parliamentary system with political parties.
- An exposition of the Jamahiriya system of direct rule by the people.
- The spreading of the Islamic faith throughout Africa.
- Striving after an "imperial" Libya.
- The undermining of pro-Western governments.
- Anti-Communism and anti-Capitalism as primary objectives.
- The emulation of Nasserism.

7. In the final instance KADHAFI is internationally regarded as the co-ordinator of a world-wide terrorist network while currently rendering aid to several terrorist organisations and "liberation movements", i e the ANC, the PAC and SWAPO. At a session of the OAU's Liberation Committee during February 1983 in Tanzania, where SWAPO and the ANC were also represented, KADHAFI declared himself willing to train a number of "brave guerilla fighters" in Libya with a view to the sabotaging of important targets in the RSA. It is anticipated that by way of his People's Bureaux KADHAFI will become increasingly involved in Botswana and Zimbabwe with regard to "the struggle against racism and imperialism" in Southern Africa.

APPENDIX B

GENERAL SECRETARIATE

SECRETARY-GENERAL	DR MUFTAH USTA OMAR
DEPUTY SECRETARY	ALI OSMAN BELKHEIR
SECRETARY FOR AFFAIRS OF THE PEOPLE'S COMMITTEE	MOHAMMED MAHUD HIJAZI
SECRETARY FOR AFFAIRS OF THE PEOPLE'S CONGRESS	OMAR ICHKAL
SECRETARY FOR AFFAIRS OF FUNCTIONAL AND PROFESSIONAL GROUPS	FAITOURI DALI

APPENDIX C

GENERAL PEOPLE'S COMMITTEE (CABINET)

SECRETARY-GENERAL (PREMIER)	MOHAMMED ZARIQ RAJAB
SECRETARY (MINISTER) FOR	
ENERGY	ABDEL-MAJID QUHUD
PETROLEUM	KOMAL HASSOM AL MAQHUR
ECONOMY AND LIGHT INDUSTRIES	MUDA ABU FREIWA
EDUCATION	DR ABDEL HAFIZ ZULAYTINI
COMMUNICATIONS AND MARITIME TRANSPORT	MUBARAK SHAMIKH
PLANNING	FAUZI SHAKSHUKI
STATE SECURITY	ABRAHIM AL FAQI HASSAN
HEAVY INDUSTRIES	OMAR MUNTASSAR
CONSUMER AFFAIRS	MOHAMMED OBEID ASH SKUKRI
AGRICULTURE AND LAND REFORM	ABU-ZEYD OMOM DOURCA
HEALTH	DR MURAD ALI LANQI
CIVIL SERVICE	MUHAMMED ABDULLAH AL MABRUK
JUSTICE	MUFTAH KOEIB
FOREIGN AFFAIRS	DR ALI ABDESSALAM TREIKI
ELECTRICITY	JUMA AL ARBASH
SPORT	MOHAMMED ABU-BAKR OKEILA
EXTERNAL SECURITY	COL YUNIS BILQASIM
FINANCE	MOHAMMED QASIM SHARLALAH
UNIVERSITIES	DR YUSUF ASH SHIN

APPENDIX D

ARMED FORCES

COMMANDER OF THE ARMED FORCES	COL MUAMMAR EL KADHAFI
COMMANDER OF THE DEFENCE FORCE	BRIG ABU BAKR YUNIS
CHIEF OF GENERAL STAFF OF THE DEFENCE FORCE	BRIG MUSTAFA EL KHARRUBI
CHIEF OF THE ARMY	COL FERAZ AL HADEIRI
CHIEF OF THE NAVY	CAPT ABD LATIF AL SHAKSUKI
CHIEF OF THE AIR FORCE	COL MOHAMMED EL FERGIANI
CHIEF OF AIR DEFENCE	COL CUIMA IDRISS AVA
CHIEF OF THE PEOPLE'S ARMY AND DEPUTY CHIEF OF GENERAL STAFF	MAJ KWELDI AL HUMEIDI

APPENDIX E

INTELLIGENCE SERVICES

INTELLIGENCE SERVICES FOR THE PROTECTION OF THE GOVERNMENT AND THE STATE UNDER THE COMPREHENSIVE NAME: MOUKHABARAT

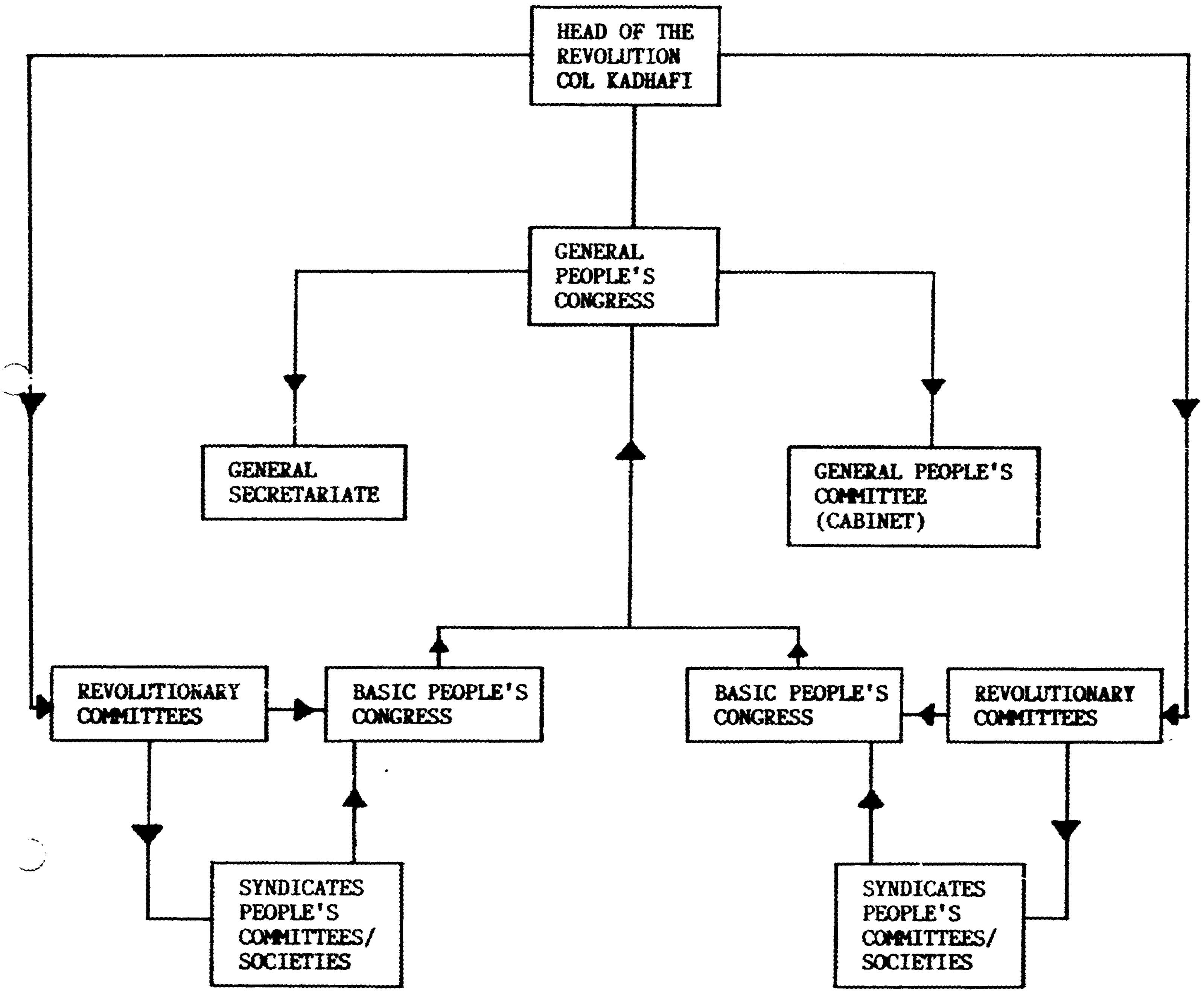
INTERNAL SECURITY	COL EL GHAZALI
MILITARY INTELLIGENCE	COL KHAROUBI
GENERAL INTELLIGENCE	YOUNES BELKACEM

CONCERNS INVOLVED IN FOREIGN SUBVERSIVE ACTIVITIES - INDEPENDENT OF INTELLIGENCE SERVICES BUT HAVING PARALLEL STRUCTURES:

REVOLUTIONARY COMMITTEE BUREAU	ABDOUL SALAAM BUGHEILA
OPERATIONAL CHAMBER OF THE REVOLUTIONARY COMMITTEE BUREAU	COMDT ABDALLAH HIJAZI
BUREAU FOR EXTERNAL MILITARY RELATIONS FOR RENDERING AID TO "LIBERATION MOVEMENTS"	COL DIBRI
UNITED AIRLINES FOR CLANDESTINE TRANSPORT OPERATIONS	COL ALI RIFIH
COMPANY FOR CANALIZING FUNDS FOR EXTERNAL OPERATIONS (AFRICA COMPANY)	COL AL ASHABI
INTERNATIONAL SECRETARIATE FOR SOLIDARITY WITH ARAB PEOPLE'S LIAISING WITH THE SOVIET UNION FOR FURTHERING THE ARAB CAUSE	OMAR EL HAMDI
BUREAU FOR REVOLUTIONARY LIAISON	AHMED SALEM

APPENDIX F

LIBYA : POLITICAL STRUCTURE



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SUDAFRICA - LA REALIDAD

Sudáfrica ha estado en el candelero en los últimos tres años. Lamentablemente, la prensa se ingenió para mostrar de muchas maneras una vaguedad dando amplias reseñas, mientras que las realidades generalmente se perdieron en un abismo de generalidades y sensacionalismo. Concentrémosnos por un momento en el panorama sudafricano con la objetividad necesaria para entender la verdadera situación.

Cuando uno piensa en Sudáfrica, el pasado, presente y futuro, lo que se ha logrado técnicamente y en el campo industrial, los problemas de hoy día, lo que encierra el futuro político, uno debe imaginarse a Sudáfrica dentro de la región y es hasta necesario que vayamos más lejos y miremos a Sudáfrica dentro del marco de todo el continente africano.

Sudáfrica forma parte inseparable de Africa y por lo tanto debería ser juzgada como tal. Sus pueblos son africanos. Los blancos también son africanos, ya que no son más que una tribu blanca del continente -sus raíces datan de más de 330 años atrás.

La tendencia general a creer que debido a una extensa comunidad blanca de descendencia europea, Sudáfrica debería fácilmente

ajustarse a los valores occidentales tradicionales mientras que las faltas y descuidos de la población negra del resto del continente son dejadas a un lado e incluso son aceptadas como un fenómeno del síndrome del sub-desarrollo del Tercer Mundo, no es sólo una actitud colonial triste y lamentable sino también un acto despreciable de moralidad selectiva. Indirectamente denota un elemento de discriminación -el mismo mal por el cual Sudáfrica es tan enérgicamente condenada.

Permítanme señalar algunas realidades de nuestro continente.

- La crisis socio-económica de Africa está alcanzando dimensiones críticas y la mayoría de los países tienen gobiernos autoritarios, lo cuales van desde gobiernos totalitarios comunistas a seudo democracias. De los 500 millones de africanos, son pocos los que tienen más libertades civiles que durante la época colonial. En la actualidad, el derecho de un hombre un voto es ejercido sólo una vez.
- Desde 1963 han habido 66 golpes de estado exitosos, pero el doble de esta cantidad ha fracasado y 19 líderes africanos han muerto trágicamente. Siete fueron asesinados y 12 han sido matados o ejecutados.
- El 79% de la superficie de Africa, que agrupa el 73% de la población, tienen sistemas autoritarios.
- De los estados miembros de la Organización por la Unidad Africana (más de 50), 28 tienen un solo partido, ya sean nacionalistas,

radicales socialistas o marxistas-leninistas; 11 son dictaduras militares y 2 estados tienen gobierno civil sin ningún partido.

- La deuda externa africana total aumentó de US$15 billones en 1982 a US$150 billones en 1984 y a US$200 billones en 1987. (Entre tanto, las 25 naciones más pobres de Africa estaban gastando en 1984 billones de dólares en armas, en su mayoría para guerras civiles).
- De acuerdo con la FAO la producción total de alimentos del continente está disminuyendo en un 1% por año desde hace una década, mientras que su población ha ido aumentando en más de un 3% por año.
- De las 184 millones de hectáreas arables en Africa, sólo 8.7 millones son irrigadas y se calcula que Africa va a tener que importar el 44% de sus alimentos.
- En marzo de 1985 se llevó a cabo en Ginebra una conferencia para divulgar la situación de aproximadamente 30 millones de africanos hambrientos.
- El 60% de la población africana vive en la pobreza y según el Banco Mundial, en 1995 tanto como el 80% de la población de Africa estaría viviendo en situación de extrema pobreza.
- El número de refugiados políticos en los últimos 20 años ha ascendido a 2,8 millones.

Para que puedan entender la perspectiva de Sudáfrica les proporciono algunos datos en relación a la posición de Sudáfrica en Africa (estadísticas de 1985).

SUDAFRICA EN AFRICA

Más de un millón y medio de trabajadores extranjeros provenientes de países vecinos trabajan en Sudáfriça. De ellos, aproximadamente 1 200 000 están ilegalmente en el país. Los trabajadores extranjeros envían sus ganancias al exterior, con lo cual sustentan a 8 millones de personas en sus países de origen. Aproximadamente la mitad del producto bruto nacional de Lesotho proviene de esta fuente.

Las usinas elèctricas de Sudáfrica suministran el 100% de la energía usada en Lesotho, el 79% de la usada en Swaziland, aproximadamente el 52% de la usada en Botswana y el 60% de la energía usada en Maputo, capital de Mozambique.

Sudáfrica desempeña un papel preponderante en las economías del cono sur africano, lo cual queda demostrado con los siguientes datos:

- el 80% del producto bruto nacional total
- el 77% de la energía generada
- el 97% de las minas de carbón
- el 98% de las minas de hierro
- el 82% de las minas de cromo
- el 70% de las plantaciones de maíz
- el 87% de las plantaciones de trigo

- el 67% de la producción de caña de azúcar
- el 39% de la producción bovina
- el 80% de la producción ovina
- el 80% de los vehículos
- el 63% de las carreteras asfaltadas
- el 60% de los ferrocarriles y puertos
- el 84% de los teléfonos instalados

Por lo menos el 45% del total de las importaciones y exportaciones de Malawi, Zimbabwe, Zambia y Zaire son transportadas por la SATS (servicios de transportes sudafricanos) de y hacia los puertos sudafricanos.

La South African Airways, conjuntamente con las aerolíneas de los países vecinos, suministra una amplia y eficiente red de servicios de vuelos regulares de pasajeros y carga en Africa austral y otras partes. Cualquier persona que llegue a Sudáfrica podrá ver aviones de Zimbabwe, Zambia, Swaziland, Lesotho y Botswana que llegan y salen desde Sudáfrica en vuelos diarios regulares.

En el campo de los servicios postales y de telecomunicaciones, todo el tráfico internacional de telecomunicaciones de Lesotho y Swaziland y parte del de Botswana, va vía Sudáfrica.
Sudáfrica es un acreedor importante para Africa sub-Sahara, ya sea en el sector público como en el privado. Hasta la fecha,

el gobierno sudafricano ha proporcionado millones de dólares a fondos de desarrollo de otros países de Africa central y austral.

En lo que respecta a la cooperación monetaria y fiscal, Sudáfrica, Botswana, Lesotho y Swaziland son miembros de la Unión Aduanera de Africa Austral, única unión en todo el continente africano.

Amplios intercambios comerciales se han desarrollado a través de los años entre Sudáfrica y el resto de Africa. In 1983, las exportaciones hacia Africa alcanzaron aproximadamente R1800 millones y las importaciones totalizaron R400 millones, cifras que van en aumento.

Son pocos los países africanos que admiten tener intercambios comerciales con Sudáfrica, pero existe un flujo recíproco de productos entre 47 países africanos y Sudáfrica, a pesar de que Sudáfrica sólo tiene relaciones diplomáticas totales con un país en Africa: Malawi. Sudáfrica tiene representaciones comerciales en Zimbabwe, Mozambique y Swaziland. Recientemente se abrió una representación en Lesotho.

Nosotros, los sudafricanos blancos y negros, estamos orgullosos de nuestros logros. Nuestros ciudadanos negros también tienen motivo para estar orgullosos de sus propios logros:

DESARROLLO SOCIO-ECONOMICO DE LOS NEGROS SUDAFRICANOS

- Aproximadamente el 90% (más de 6 millones) de la población negra en edad escolar van al colegio. Este porcentaje es superior a la de cualquier otro país africano. Alrededor de 15 salones de clase nuevos son construídos cada día laborable en las escuelas para negros. Ya en 1984, más alumnos negros que blancos cursaban el último año liceal.
- Más de 70 000 negros concurren a clase en universidades y otros miles concurren a instituciones técnicas y especializadas.

Esta es la piedra fundamental del progreso de la población negra sudafricana, el cual les ha permitido asegurarse en Sudáfrica un lugar destacado en el campo económico, tecnológico, industrial, social y deportivo entre otros.

A través de sociedades industriales y una corporación para el desarrollo de los negros, la contribución para la libre empresa ha sido considerable. Desde que se inició la Fundación Urbana se han obtenido fondos para el desarrollo que exceden los 300 millones de Rands. Se han lanzado programas de ayuda mutua, se han creado empleos, programas de capacitación y se llevaron a cabo otros tantos proyectos, todos en cooperación con las comunidades negras. En la actualidad sociedades constructoras prestan mensualmente entre 40 y 50 millones de Rands a los negros para adquirir sus propiedades.

La multi-racial Corporación para el Desarrollo del Pequeño Empresario fue formada por una sociedad equitativa entre el sector privado y el estado. Desde su fundación se han otorgado préstamos directos por cientos de millones de Rands a más de 13 000 empresarios. Se suministraron predios en áreas de desarrollo negro para industrias, fábricas y centros comerciales.

Especial atención se ha dado al mejoramiento del nivel de vida en las comunidades en desarrollo, a través de servicios médicos.

La posición económica y regional de Sudáfrica y su infraestructura tecnológica altamente desarrollada ha contribuído al mejoramiento económico y académico de nuestros negros, quienes han alcanzado niveles de vida sin precedentes en el continente africano.

Ahora Uds. tiene una buena perspectiva de la situación sudafricana, lo cual nos lleva a una pregunta inevitable:

Qué futuro político se prevé para la mayoría negra sudafricana?

REFORMA POLITICO-SOCIAL EN SUDAFRICA

El gobierno sudafricano ha reconocido errores del pasado y rechaza el apartheid, empeñándose a llevar a cabo importantes reformas. El gobierno ha puesto de manifiesto su sinceridad y deseo de crear una nueva estructura constitucional para todos los

sudafricanos.

Qué hemos logrado al respecto?

Hemos rechazado públicamente:

- la discriminación racial y el deterioro de la dignidad humana
- la exclusión de cualquiera de las comunidades en las decisiones del proceso político
- la injusticia o falta de igualdad en las oportunidades existentes para cualquier comunidad
- la dominación política de una comunidad cualquiera sobre otra.

Ya hemos derogado o revocado las leyes que contradicen estos ideales y hemos estudiado otras leyes y prácticas que no concuerdan con estos principios.

A continuación se mencionan algunas áreas en las cuales ha habido reformas en los últimos años para eliminar la discriminación racial:

- el restablecimiento de una sola ciudadanía sudafricana
- la reforma constitucional por la cual mestizos y asiáticos tienen representación en el Parlamento Central, ocupan cargos de ministros y vice-ministros en el gabinete y son nombrados embajadores sudafricanos en el exterior
- la eliminación del control de movimiento, el sistema de pase

y otras 34 normas relacionadas a los mismos

- la derogación del acta que prohibía matrimonios interraciales y la ofensiva cláusula racial discriminatoria del acta de inmoralidad
- derechos totales para los negros a tener bienes
- sistemas de sindicatos modernos y sofisticados sin discriminación racial
- la eliminación de segregación racial en trenes, omnibuses, hoteles, restaurantes, cines y teatros
- el libre acceso a clubes y la práctica de deportes sin discriminación racial

Además, el gobierno se ha comprometido públicamente a llevar a cabo un programa político que:

- brinde una Sudáfrica unida, una ciudadanía única para todos los sudafricanos y un sistema electoral universal dentro de las estructuras elegidas por todos los sudafricanos
- provee un sistema de gobierno democrático en el cual se incluyen las normas y valores fundamentales, como ser, la libertad de expresión, la libertad de prensa, un poder judicial autónomo, un sistema de libre empresa y el derecho a propiedad
- provee la participación en el poder de todas las comunidades y la representación de las mismas en todos los altos cargos gubernamentales
- considera la soberanía de la ley como la base para la protección

de los derechos esenciales de los individuos y de las comunidades

- considera la libertad como la piedra fundamental de la democracia
- provee la eliminación de la discriminación racial
- reconoce que la supremacía blanca desaparecerá de acuerdo con el principio de que ninguna comunidad debe prevalecer sobre otra
- provee la creación de las estructuras necesarias para dar andamiento a estos principios, mediante negociaciones entre los líderes de todas las comunidades del país
- aclara que el gobierno no indicará quién puede representar a las otras comunidades o cuál será la agenda a tratar en las negociaciones

Resumiendo, por primera vez en la historia de Sudáfrica, nuestro propósito es establecer un orden político democrático que sea reconocido legítimamente a nivel nacional e internacional.

A pesar de que se hubiera esperado que lo expresado anteriormente conduciría a todas las comunidades a trabajar juntas hacia una nueva norma de vida, comenzó la violencia.

LA VIOLENCIA DEL CONGRESO NACIONAL AFRICANO (ANC)

El éxito que el gobierno sudafricano tuvo con esta política reformista incentivó al ANC (que tiene una alianza formal con el SACP -Partido Comunista Sudafricano) a aumentar drásticamente

su empeño para derrocar por medio de la violencia al actual sistema de gobierno, con el propósito de tomar posesión total del poder. Dentro del ANC existen personas de gran influencia que desempeñan un papel principal en el proceso de la revolución que tiene como objetivo la creación de un estado comunista. El ANC se identifica con los objetivos del socialismo mundial, con la Unión Soviética y sus aliados, así como también con organizaciones terroristas internacionales.

Juzgando por las acciones conjuntas del ANC y del Partido Comunista Sudafricano, no cabe duda que lejos de ser una fuerza democrática en Sudáfrica, son una seria amenaza al ideal democrático. Su desprecio por los derechos y libertades democráticas queda atestiguado por sus ataques con bombas a consecuencia de los cuales civiles inocentes, tanto blancos como negros, mueren o quedan lisiados; por la brutalidad indescriptible de los asesinatos "necklace" (collar) realizados por negros contra negros; por los intentos de destruir instituciones cívicas y económicas y por la eliminación de la población negra que no comparte sus ideales. La democracia está ahora bajo la amenaza de la política negra, ya que los grupos radicales se aprovechan de la desconformidad de los negros para transformar a Sudáfrica en un país ingobernable.

En su campaña revolucionaria, el ANC describe su mensaje de la siguiente manera:

"Tomemos nuestras armas, ya sean rudimentarias o sofisticadas, nuestros 'collares', nuestras granadas, nuestras ametralladoras, nuestras AK47, nuestras minas tipo 'limpet' y todo lo que podamos obtener - Luchemos..."
(emisión radial del ANC por Radio Libertad, el 4 de mayo de 1986)

"Después de estar armados de este modo, nuestra gente debe empezar a identificar a los colaboradores y agentes enemigos y matarlos."
(declaración de Joe Modise en la emisión radial del ANC por Radio Libertad, el lo. de diciembre de 1985)

"Con nuestros fósforos y nuestros 'collares' liberaremos nuestro país."
(Winnie Mandela, el 13 de abril de 1986)

"Queremos hacer la muerte de un colaborador tan grotesca que la gente nunca piense en imitarlo."
(Tim Ngubane, vocero del ANC en la Universidad del Estado de California, el 10 de octubre de 1985)

"La estrategia de quemar a los colaboradores parece que finalmente ha dado sus frutos."
(emisión 'Voz de la Libertad', el 7 de octubre de 1985)
Oliver Tambo, defendiendo el uso de violencia por parte de sus

partidarios, expresó que "matar ocasionalmente a sudafricanos blancos, da esperanza a los negros y acostumbrará a los blancos a sangrar"...

Cuando se le preguntó a Tambo que describiera la reacción entre los negros cuando un blanco es asesinado, indicó "ese tipo de cosas son como una gota de lluvia después de una larga sequía". (Neil Lewis en el New York Times del 24 de enero de 1987)

Lo expuesto anteriormente habla por sí solo, y como resultado de esto, líderes políticos negros moderados, que representan todas las tendencias políticas, se muestran reacios a participar públicamente en las negociaciones. Por otro lado, no se puede esperar que el gobierno sudafricano negocie la entrega del poder al ANC, sólo por la intimidación y actos terroristas barbáricos del ANC.

El 10 de junio de 1987, el Presidente P.W. Botha hizo la siguiente declaración en el Parlamento:

> "No se puede hablar con el Congreso Nacional Africano sin hablar con sus actuales líderes. Los rechazamos por su filosofía de violencia y terror.
>
> Los rechazamos porque ellos viven lujosamente en el extranjero, mientras que, como parte de una estrategia

premeditada, se aseguran que continúe la encarcelación en Ciudad del Cabo de avejentados y ex-líderes, a los cuales no les dan permiso para que abandonen la violencia.

Los rechazamos por calmar a los gobiernos y grupos (tambiéen de Sudáfrica) con palabras suaves, mientras planean e incentivan la lucha, la desaveniencia y el desorden, que han sido y siguen siendo en los municipios, la causa directa de la miseria, muerte y destrucción de sus hermanos y hermanas en Sudáfrica.

Los rechazamos por intimidar a las compañías para provocar la desinversión en nuestro país, lo cual tiene como consecuencia la pérdida del lugar de trabajo para los padres negros y, por consiguiente, los niños negros están hambrientos en los municipios, mientras que ellos concurren a banquetes en hoteles.

Junto con el resto del mundo civilizado, los rechazamos por elevar el terrorismo a la moralidad, por racionalizar los horrores del método del 'collar' y por 'hacerse responsables' por las atrocidades de minas y de autobombas.

No negociaremos con esta gente; los pelearemos por

la sencilla razón de que ellos forman parte del paquete terrorista maldito que rodea al mundo actual."

El gobierno tiene la responsabilidad legítima y el deber de proteger y asegurar el futuro democrático de toda la sociedad sudafricana - blanca y negra. Además se pretendía que el gobierno tomara medidas estrictas para salvaguardar a todos los ciudadanos.

Quiero destacar, sin embargo, que el gobierno no considera que las medidas de seguridad son un sustituto de la reforma.

Por otra parte, la violencia no debe ser utilizada como un medio para obtener objetivos políticos. Estos deben ser logrados por medio de una negociación pacífica y reforma gradual.

Las dificultades actuales en Sudáfrica han dejado de ser los conflictos puramente raciales entre negros y blancos, para convertirse en un conflicto de ideologías; un problema:

- de moderados contra radicales;
- de capitalismo contra socialismo;
- de democracia contra marxismo;
- de negociaciones pacíficas contra métodos revolucionarios;
- del este contra el occidente.

UN NUEVO MANDATO DE REFORMA PARA ACTUAR CON DETERMINACION

La situación actual en Sudáfrica es delicada y la comunidad internacional, a través de sanciones económicas, boicots y otras medidas, debe tener cuidado de no polarizar dentro del país la opinión pública aún más, ya que esto podría perjudicar el clima de negociación.

Sin embargo, a pesar del estancamiento temporario, el gobierno sudafricano está más empeñado que nunca en continuar con su política de reformas y seguir el camino de las negociaciones para lograr su meta final:

"Una Sudáfrica nueva para toda su población; y lograda por toda su población".

Las elecciones que se llevaron a cabo recientemente para la Cámara de la Asamblea en Sudáfrica, han dado al gobierno un fuerte mandato para que proceda con determinación, y con sentido renovado y un propósito claro, en el camino que ha tomado con respecto a la reforma. Definitivamente esto no ha sido un vuelco a la derecha para acorralar al apartheid, ni se demorará la reforma.

En efecto, y para sorpresa de todo el mundo, y como fuera publicado en los diarios montevideanos, el Presidente P.W. Botha publicó en los principales diarios sudafricanos un anuncio, en el cual extendía su mano de amistad a todos los sudafricanos de buena

voluntad y expresaba su disposición y deseo de conseguir respuestas a las problemas sudafricanos, conjuntamente con todos los líderes que rechacen la violencia -'será una reunión honesta de gente de paz y buena voluntad-' una reunión que debe y proporcionará las soluciones a nuestros problemas. Esto es realmente posible.

Además el Presidente P.W. Botha recientemente visitó un municipio negro donde se dirigió a miles de negros y públicamente les prometió 'un reparto justo en la conducción del país'. Cuando el intendente negro le entregó la "Ciudad de Libertad", el Presidente Botha solicitó nuevamente a todos los líderes que rechazan la violencia a que vengan a participar en negociaciones.

El mundo occidental debería atender a sus objetivos e ideales comunes y debería ayudar a incentivar a los líderes negros moderados de Sudáfrica que no cometen atrocidades terroristas a ir por el camino de las negociaciones conjuntamente con el gobierno. Por el contrario, continúa con sus demandas, que consisten en poner en libertad al Sr. Nelson Mandela y desproscribir al Congreso Nacional Africano, y una vez que esto se obtenga, empezar las verdaderas negociaciones, implicando de esta manera que los líderes negros moderados son títeres e informantes del gobierno y no representan a la mayoría de los negros de Sudáfrica.

CONFIANZA EN LA ECONOMIA

La estabilidad económica es de gran importancia y la confianza es un factor clave. Esto a su vez daría estabilidad política y seguridad nacional, lo cual permitirá a la mayoría negra moderada abandonar el juego de la amenaza y aceptar negociar.

La falta de confianza internacional en el futuro político de Sudáfrica, especialmente en los círculos bancarios, motivó la caída del Rand, el dilema de la deuda externa y otros problemas que últimamente han afectado la economía nacional. Dentro de Sudáfrica, la ansiedad e incertidumbre sobre la economía en algunos círculos comerciales y entre muchos ciudadanos comunes ha afectado la confianza pública adversamente.

Esta actitud está cambiando. En centros comerciales y financieros del exterior, la perspectiva oscura y condenada de Sudáfrica de hace un año atrás ha cambiado y ha surgido una mayor confianza en el futuro del país. Esto se puede apreciar, por ejemplo, en la forma amistosa en que recientemente se firmó el nuevo acuerdo sobre la deuda externa y en el aumento del valor del Rand financiero, lo cual demuestra que ha aumentado la confianza del inversor extranjero en Sudáfrica.

Aún en la campaña de desinversión hubieron traspiés. La más dramática expresión fue la decisión del Congreso americano de aprobar la exclusión de una extensa lista de minerales estratégicos importados de Sudáfrica, poco después de haber aprobado ellos

mismos sanciones contra Sudáfrica.

En lo interno, el Indice de Confianza Comercial ha aumentado abruptamente. Este aumento en la confianza comercial será apoyado, sin lugar a dudas, por otros acontecimientos recientes. Las estadísticas oficiales que fueron publicadas esta semana, muestran un aumento en la industria manufacturera en el último trimestre del año pasado. El superávit comercial de Sudáfrica fue de R5653 millones en los primeros 5 meses de este año, el cual fue R591.3 millones más que en el mismo período del año pasado. Esto, a pesar de sanciones y boicots.

La producción del oro (y por consiguiente del valor del oro) está en aumento y ha habido un incremento en las reservas cambiarias extranjeras. Ahora se invierte más capital. Se estima que el gasto público en la construcción aumentará de R7,4 billones el año pasado, a R8,1 billones este año. El proyecto de Mossel Bay (donde se encontró gas de petróleo) y el proyecto hidroeléctrico y de irrigación formado por un complejo dé represas en Lesotho, así como la explotación de nuevas minas, forman parte de una serie de proyectos que a su debido tiempo vertirán billones de Rands a la economía, y tendrán un factor estimulante.

Mientras que en la segunda mitad de este año la inflación podría bajar a un 13,6%, en la primera mitad del año entrante bajaría a un 11,2%.

CONCLUSION

En conclusión, permítanme repetir dos preguntas que formulé en un artículo que escribí y recientemente fuera publicado en un matutino capitalino:

Por qué existe una campaña tan exageradamente absurda contra el gobierno sudafricano y su población, en el momento en que la más importante reforma en la historia de Sudáfrica se está llevando a cabo?

Es muy fácil exigir un cambio, pero un cambio que generalmente no es considerado como tal.

Los problemas que los sudafricanos afrontan ahora ya no son raciales sino ideológicos.

Resta entonces la otra pregunta:

Cómo debería ser la Sudáfrica pos-apartheid?

Seguramente es la responsabilidad del actual gobierno asegurar que los desastres políticos y económicos que han sobrevenido a tantos otros países africanos después de la independencia, no surjan en Sudáfrica.

Finalizo con las palabras de un conocido filósofo:

"Apartheid debe eliminarse ... Sudáfrica no".

AWIE J. MARAIS

Encargado de Negocios a.i.

Agosto de 1987

MINIST... DE DEFENSA NACIONAL
... Información de Defensa
Fecha de Entrada 13/7/87
Fecha de Salida 14.9.87
Pasa a Jefe
Nº. de Identificación 1015/87

SECRET

REFERENCE : B/ 0449

DATE : 15 May 1987

ZAIRE : NEW OPPOSTION GROUP PLANS REVOLUTIONARY ACTION

1. During a press interview held on 28 April 1987 the POP (Workers' and Peasants' Party) announced that the Party was founded with a view to lauching a revolutionary rebellion against the "despotic powers" of Pres MOBUTU of Zaire. The interview was conducted with a committee member, S P KWENGE, of the newly founded Zairean opposition group (POP) that pursues Marxist-Leninist ideologies.

2. According to KWENGE the POP was founded during November 1986 and currently has 109 members, some of whom are doctors, journalists, soldiers, lecturers and civil servants.

3. COMMENT

There are already several opposition groups eg the Congolese National Liberation Front (CNLF) with headquarters in the Congo, conducting their activities and operations against Pres MOBUTU from neighbouring states.

DATE OF INFORMATION : May 1987
RELIABILITY GRADING : 2

SECRET

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- Archivo
- Fichaje

SUDAN: ABOLINACION DEL CODIGO PENAL ISLAMICO

1) En una entrevista con la BBC de Londres el 31 de mayo de 1987, el Primer Ministro de Sudan Sadiq EL -MAHDI anunció que el Cod.Penal Muslim (Sharia) sería abolido. Nota: Se desconoce la fecha en que se llevará a cabo.

2) La división que creó en el Parlamento de este país la abolición de dicho Código Penal, fue la razón principal por la que se disolvió el gabinete el 13 de mayo del corriente año.,en tanto que la introducción del mismo llevó a la guerra civil al país en 1983.-

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SECRET

REFERENCE : B/0544

DATE : 18 June 1987

SUDAN : ABOLITION OF THE ISLAMIC PENAL CODE

1. In an interview with the BBC (British Broadcasting Corporation) in London on 31 May 1987 Prime Minister Sadiq EL-MAHDI of Sudan announced that the Muslim penal code (Sharia) would be abolished. *Remark* : The date of abolishment is not known.

2. ELUCIDATION

Division in the Sudanese Cabinet regarding the repeal of the Muslim penal code was a major reason for the dissolution of the Cabinet on 13 May 1987, while the introduction of the code in 1983 led to civil war in the country.

DATE OF INFORMATION : June 1987
RELIABILITY GRADING : 2

SECRET

REFERENCE : B/0888

DATE : 20 August 1987

<u>***SADCC : MMUSI'S STATEMENTS DURING MEETING OF COUNCIL OF MINISTERS***</u>

Mr Peter MMUSI (vice President of Botswana) stated, during a meeting of the SADCC's Council of Ministers in Lusaka, that the SADCC would not be "complete" until South Africa and SWA had also joined the group as sovereign states governed by the majority. MMUSI also said that the SADCC had already accomplished much, but that there is little opportunity for improvement, unless the conflict in certain member states is scaled down. According to MMUSI the SADCC's primary aims are the dismantling of "apartheid" and the creation of equal opportunity for everyone in South Africa.

DATE OF INFORMATION : August 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0893

DATE : 20 August 1987

A COMPARATIVE ANALYSIS OF THE FREEDOM CHARTER AND OF THE FEDERATED CHAMBER OF INDUSTRIES' SA BUSINESS CHARTER

1. **Our B/0107 dated 06/02/1987 has reference.**

2. **The Congress Alliance comprising the African National Congress (ANC), the South African Indian Congress (SAIC), the South African Coloured People's Organisation (SACPO) and the Congress of Democrats (COD) compiled and accepted the Freedom Charter (FC) as their policy statement, freedom manifesto and guideline for an eventual non-racial South Africa. This took place on 26 June 1955 at the Congress of People (attended by about 3 000 delegates) at Kliptown, near Johannesburg. The same FC is still being considered as their policy statement by the ANC/SACP (South African Communist Party) alliance in respect of ia political, economic and social affairs in a "post-apartheid" South Africa.**

3. **On 21 January 1986 the Federated Chamber of Industries (FCI), which is the largest of its kind in South Africa (about 10 000 members), introduced a charter for businessmen and launched a programme for action with the specific purpose of trying to play a positive and constructive role as "catalyser" in the process of political reform in South Africa. The charter emphasises the democratic principles and human rights to be striven after in South Africa and the social, cultural, economic and political principles accompanied by individual and public**

responsibility in South Africa. This so-called Business Charter (BC), which had a fairly positive reception within the South African business community, was compiled by Prof Marius WIECHERS (professor of Political Science and International Law at the University of South Africa (UNISA) and legal adviser to the FCI). The BC is based on internationally accepted documents on human rights such as the Magna Carta, the United Nations' (UN) Universal Declaration of Human Rights and the European Convention of Human Rights.

4. The drawing up of the BC must be seen in the light of the growing involvement of prominent businessmen and organisations in the political reform process in South Africa. By way of declarations, statements, actions etc, certain leading South African businessmen in particular are attempting to act as "reform agents" and even to exert pressure on the government to do away with apartheid, to speed up the tempo of political reform and to create a non-racial South Africa. The BC has much in common with UNISA's Project Free Enterprise (PFE) which led to a series of brain-storming sessions/think tanks in which 620 managers from all population groups, representing 103 dominant business organisations in South Africa, participated with the objective of formulating a macro- and a micro-strategy for the public and private sectors respectively in order to cope with South Africa's political and economic problems. This "corrective" strategy was published in June 1986 in a final report under the heading "Economic Participation in South Africa - Strategy for Survival and Growth". From this one could derive that the business community wanted to be involved in political affairs in South Africa in a "visible" and coordinated way.

5. With regard to the practical implementation of the PFE's micro-strategy in particular, Mr Christo NEL (PFE Project Leader) was appointed in July 1987 as personal assistant to the FCI's Executive Director with the task of propagating and implementing both the BC and the PFE's proposed strategy among businessmen.

6. Although an exact evaluation and interpretation of the similarities and differences between the FC and the BC are affected by a whole range of factors, one could point out the following parallels :

   - Both the FC and the BC were compiled on account of their "supporters'" dissatisfaction with the status quo in South Africa and their desire for creating a non-racial South Africa.

   - With regard to social and cultural rights/principles the FC and the BC are in agreement when it comes to aspects such as equal rights and opportunities for all population groups in the cultural and educational fields.

   - As for economic rights/principles there are also specific incidences/parallels between the FC and the BC, eg where it comes to equal pay for equal work and the right to organise by way of trade unions.

   - With regard to political and civil rights/principles both the FC and the BC state clearly : equal rights and opportunities in South Africa irrespective of colour, population group or sex; freedom of speech and of religion; that governmental authority must be based on the will of the people; general franchise; no detention, arrest or deportation without a fair trial, and freedom of movement within South Africa.

7. Aspects of difference between the FC and the BC include :

   - The FC is based on a socialist economic system while the BC is founded on a system of free enterprise and capitalism.

- In the final paragraph of the FC the "strategy" of ia the ANC concerning the use of violence for achieving their ends is delineated, whereas the BC places the emphasis on a non-violent and peaceful "strategy" for establishing a non-racial South Africa.

According to the BC the interests of minority groups must be safeguarded, whereas the FC ignores this aspect.

- The FC could be regarded in its entirety as a policy statement for a "post-apartheid" South Africa, while the BC should rather be seen as a set of guidelines for the attainment of a "post-partheid" South Africa and a means by which businessmen can endeavour to become "bridge builders", "reform agents" and "catalysers" in South Africa's political "reform arena".

8. Viewed as a whole, the objective of both the FC and the BC appear to be identical, ie creating a non-racial South Africa. It is only in their strategy/method of achieving this end that they differ.

9. With reference to the difference in approach between the FC and the BC concerning economic policies the SACP's Politburo in May 1986 distributed a document in which the BC was referred to as follows : "it is clear that the newly found polical liberalisation of a significant section of the bourgeoisie (represented by the signatories to the FCI Business Charter), has as its primary objective, the saving of capitalism ... their Business Charter, which in certain aspects ... and the other side of the coin is the fear of a revolutionary take-over and, therefore, an attempt to avoid majority rule in its true meaning ... a vital element of their strategy is to prevent effective majority rule so as to keep the national forces divided".

10. As far as the ANC's economic policy is concerned, this was brought under the searchlight specifically during the talks of July 1987 in Dakar, Senegal, between a South African delegation and the ANC. During these talks the economic debate was focussed mainly on the FC phrase "that the mineral wealth beneath the soil, the banks and monopoly industry shall be transferred to the ownership of the people as a whole and that all the land shall be redivided amongst those who work it". A general standpoint held by the ANC delegation was that the debate on a new non-racial South Africa should also be directed at the unwarranted things of the past, such as black poverty (guaranteed safeguards against famine) and the restructuring of black education, housing, health services etc. In order to carry through these programmes the state must have at its disposal considerable resources, which again necessitate a process of nationalisation. This, however, must be accomplished within a framework of private initiative/enterprise. Consequently it was a hybrid economic system that came to the fore at the conference as the ANC's point of departure with regard to a future economic dispensation for South Africa.

11. The nature of and "marginal conditions" for nationalisation as well as decision-making in this respect was discussed in several private discussions with some of the ANC's key figures, and they discovered a fair amount of common ground. So, eg, it was agreed that redistribution actions should not harm economic growth or the investors' trust. It is essential that there should be an analysis of the carrying capacity of the economy and especially of ways in which this can be expanded. The objective should be a search for mechanisms and processes that will work in practice. The dominant ingredient should be pragmatism and not ideology. ANC representatives, for example, explained that the purpose of nationalisation was not confiscation of property, but a means of enabling the state to put right certain historic backlogs caused by discrimination. As to the exact details, these will have to be negotiated. This does not, however, imply a total rejection

of the principle of private ownership and "normal" firms will have nothing to fear. No dogmatic proposals were made concerning land ownership. Here it was admitted that this was a difficult problem which demanded the cooperation of "all the democratic forces" if acceptable solutions are to be found.

12. According to reliable reports received, Thaba MBEKI (leader of the ANC delegation and Publicity Secretary to this organisation) said during the conference that the ANC advocated a "relaxed" form of socialism in which selective rather than total nationalisation would be realised and in which every white South African "could live comfortable provided that they did not seek special privileges". According to him the ANC has no intention whatsoever to create a climate in South Africa that will discourage foreign investors and make white businessmen want to emigrate.

13. Leading figures in the ANC, such as Oliver TAMBO and Mac MAHARAJ, however, stated during a Radio Freedom broadcast on 3 July 1987, that as far as economic affairs were concerned they still adhered to the view that the Freedom Charter should form the basis of all matters such as nationalisation and the restructuring of the economy, while maintaining that "the downfall of the Botha regime" and the transfer of power to the people still remained the major consideration.

14. Although there were indications of a fair measure of agreement at the conference on such matters as the economy, the views/positions of these persons, and of the attending businessmen in particular, cannot necessarily be regarded as representative of the entire South African business community, especially since those prominent business leaders controlling/managing the so-called monopolistic concerns in South Africa (eg the Anglo-American Corporation) did not attend the talks. It is therefore to be expected that the economic debate will continue among businessmen and this could lead to

polarisation in the business community as there is a large group that are "doubtful" concerning the future economic policy of the ANC and the extent to which this will have a negative effect on potential economic growth in South Africa. The vast majority of South African businessmen are free market and capitalist oriented and are trying by way of reform initiatives such as the Business Charter and the Project Freedom Enterprise to convince the revolutionary forces to find peaceful solutions for South Africa's political and economic problems and thus to safeguard and maintain the system of free enterprise now prevailing in South Africa.

DATE OF INFORMATION : August 1987
RELIABILITY GRADING : 2

SECRET

REFERENCE : B/0831

DATE : 13 August 1987

ANC : STATEMENTS ON VIOLENCE

1. Tom SEBINA (Publicity officer of the ANC's Department of Information and Publicity - DIP) stated in Lusaka, Zambia, on 3 August 1987 that the ANC cannot accept or deny responsibility for the bomb blast in Johannesburg on 30 July 1987 before the organisation had received confirmation from Umkhonto we Sizwe (MK) in this regard.

2. SEBINA also confimed that the MK had received instructions to extend the "struggle" to white residential areas because "the forces opposing the ANC" consist of whites who live in these areas.

DATE OF INFORMATION : August 1987
RELIABILITY GRADING : 2

SECRET

SECRET

Sudafricano

REFERENCE : B/0835

DATE : 13 August 1987

135

SWAPO : PLAN MEMBERS UNDERGO TRAINING IN ETHIOPIA

During a press conference in Addis Ababa, Ethiopia, on 29 July 1987 Sam NUJOMA said that members of the People's Liberation Army of Namibia (PLAN) are being trained in Ethiopia. This training follows upon an offer by the Ethiopian government to provide training for 10 000 SWAPO and ANC members.

DATE OF INFORMATION : August 1987
RELIABILITY GRADING : 2

SECRET

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SECRET Sudafrica

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REFERENCE : B/0978

DATE : 3 September 1987

FRG : ALLEGED COMMUNIST PARTY SHIFT OF EMPHASIS TOWARDS ANTI-SOUTH AFRICAN ACTIONS

1. According to reports the West German Communist Party (DKP) has received instructions from Moscow to effect a shift of emphasis from Nicaragua to South Africa as far as the DKP's process of influencing German public opinion in respect of the Third World was concerned.

2. **REQUEST**

Confirmation about the above will be valued.

DATE OF INFORMATION : August 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0895

DATE : 20 August 1987

LIBERIA : APPROVAL OF LEGISLATION FOR THE CREATION OF A NAVY AND AIR FORCE

The Liberian government recently approved legislation in accordance with which a navy and an air force can be constituted and authorising the President to appoint chiefs of staff for the air force and navy. *Remark* : Liberia's armed forces consist of 7 000 members, and so far the functions of the navy and air force have been fulfilled by the army's coast guard and air reconnaissance division, respectively.

DATE OF INFORMATION : August 1987
RELIABILITY GRADING : 2

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SECRET

REFERENCE : B/0828

DATE : 13 August 1987

TAIWAN : ABOLITION OF MARTIAL LAW

1. Political reforms in the Republic of China, gained further momentum with the abolition of martial law on 15 July 1987. *Remark* : Martial law, first announced in 1949, will however remain in force on the so-called frontline islands of Quemoy and Matsu where Taiwan garrisons are stationed.

2. This abolition has already led to the following adaptations :

- The abrogation of two acts in accordance with which Taiwanese citizens are discouraged from travelling, as well as 26 security acts entitling the Taiwan Garrison Command (TGC, the senior intelligence organisation) to monitor closely ia publications, customs and immigration.

- The implementation of a national security act, which guarantees greater press and individual freedom, ia that civilians will no longer be tried by military courts. *Remarks* : The right to form new political parties, which was to have been a subdivision of this act, will be included in separate legislation later during 1987. New political parties will however, have to endorse the Constitution, be anti-communist and support the reunification of the Republic of China and the People's Republic of China (PRC).

SECRET

3. **ELUCIDATION AND COMMENT**

a. The abolition of martial law is a major development in the current process of political reform in the Republic of China and is probably an effort on the part of the ruling Kuomintang Party (KMT) to improve the country's image internationally. (*Remark* : This applies particularly to Chinese communities abroad amongst whom the Republic of China's prestige has waned considerably after reforms inthe PRC had made the latter more acceptable). Internal reforms are probably also an attempt to unite the people of Taiwan in order to successfully resist the increased pressure from the PRC (after announcements that the problems connected with the reunification of Hong Kong and Macau with the PRC had been solved).

b. It is anticipated that the new security act, described by opposition groups as "martial law in a new form" as it contains no real concessions, has nevertheless given rise to certain expectations which will lead to increasing pressure being exerted on the KMT to establish closer contact with the PRC.

DATE OF INFORMATION : August 1987
RELIABILITY GRADING : 2

SECRET

REFERENCE : B/0929

DATE : 3 September 1987

MOZAMBIQUE : PROGRESS REPORT RE BEIRA CORRIDOR, JANUARY TO JUNE 1987

1. ***INTRODUCTION***

a. Since January 1987 several projects have been launched in connection with the Beira Corridor Development Project in Mozambique after the Southern African states (especially Zimbabwe and Mozambique) during 1986 had endeavoured mainly to procure the necessary finances for this project. The development of the Beira Corridor comprises various projects with regard to the Beira harbour and the Beira-Mutare railway line, road and oil pipeline. (See Appendix A).

b. Adequate funds have already been voted for the accomplishment of the major projects under the "emergency phase" as well as of the second development phase. The former of these include the doubling of the corridor's capacity and the effectiveness of handling facilities in Beira harbour. This phase should have been completed in July 1987, but will now probably reach completion later in 1987. The core of the second phase of development includes the upgrading of Quays 2 to 5 on which work has not yet commenced. It is being stressed that there should be quicker disbursement of funds voted, as this facet is increasingly becoming a problem.

c. In order to coordinate the activities of the major users of Mozambique port facilities and to deal with any problems they may experience, the Beira Corridor Group (BCG) founded the Mozambique Port Users' Group (MPUG) on 11 June 1987, which is meant to be a commercial liaison organisation comprising businessmen from Zimbabwe, Malawi and Zambia.

2. *BEIRA HARBOUR*

a. Quay No 1 is used as a fishing dock and is equipped with refrigeration facilities up to a capacity of 1 000 tons which are currently used for bimonthly exports of about 500 tons of shrimps with the aid of spanish vessels. These facilities, consisting of 8 freezer and 18 refrigeration units, however, fail to comply with EC (European Community) standards, so that meat cannot be exported to these states. A fish canning factory has been erected with West German capital.

b. At an estimated cost of US$63,5 million quays 2 to 5 are to be transformed into a multi-purpose quay for freight handling and is being financed by the EC. Altogether there have been 14 tenders from multinational European companies for the upgrading of these quays - considerably fewer than anticipated. This phase will be commenced in October 1987 and will take about three years to complete. The railway for Quay No 3 was recently put into operation.

c. Quays 6 and 7 are as yet not used, but are being repaved by the Netherlands. Although completion of this project has been deferred from the end of June to July 1987, it has apparently not yet been completed owing to a shortage of cement and paving material.

d. The warehouse at Quay 7 has to be rebuilt, while the

railway lines to both Quays 7 and 8 have to be re-laid. Cold storages at these two quays are used for the export of meat and citrus. At Quay 8, where facilities have been installed for the loading of 700 tons of coal per hour, there are still no indications of coal being loaded. The fact that the USSR has provided technicians for the upgrading of the Beira-Moatize railway (there is a coal mine at Moatize) however seems to suggest that the Soviet Union is interested in this coal. Coal exports can therefore be expected to commence as soon as suitable and safe transport of this commodity can be provided. *Remark* : The state-controlled coal company of Mozambique (Carbomoc) decided in July 1987 upon the purchase of 30 40-ton lorries to be used for transporting coal from Moatize to the port of Beira.

e. Quays 9 and 10 are currently being used by roll-on-and-off ships and the entire surfaces of these two quays will be re-paved as soon as the Dutch have completed the work at Quays 6 and 7.

f. The upgrading of Quay No 10 (a roll-on-and-off quay for general cargoes and oil), so as to increase its freight handling capacity to 60 000 tons, will not begin until 1989. Norway has undertaken to erect an oil terminal at Quay 10, so that Quay 11 will then be used for, ia the handling of grain. The completion of discharging facilities for petroleum products has been delayed for two months and will now probably not materialise before October 1987. Upon the completion of these facilities they will be able to discharge 15 000 tons of petroleum per day via four different points. A fifth point of discharge is envisaged for special oil products. The tank farm is nearing completion and Tanks 2 and 3 will shortly be brought into use, while Tank 1 has also been taken into service again after an explosion. The capacity of these

tanks is 10 000 m^3 each.

g. The Macuti access channel to the harbour of Beira has been dredged by the Povuma to a depth of 5,5 metres, but the present channel is only 100 m wide instead of 200 m. The rate of siltation is about 15 cm a month and a 15 000 ton vessel with a cargo of potash was recently forced to turn back after efforts to enter the harbour via the channel had provided unsuccessful. The team of Amsterdam port authorities, comprising a port-warden and nine technicians, have not yet assumed their duties, although four of them have already arrived. The major problem is that of accommodation in Beira, despite the fact that the British consulate in Mozambique has offered help in this respect.

h. The West German technicians are making good progress with the repairs to the cranes in the docks, while Renfreight (a South African company) will lend the port authorities R500 000 for repairing broken forklifts. About 4 000 tarpaulins are to be bought from India with funds supplied by the Non-Aligned Movement's (NAM) Action for Resisting Invasion, Colonialism and Apartheid (AFRICA) to supplement the shortage.

i. There are now 54 cranes : 33 in working order, 17 in disuse and 4 are being repaired. There are also 37 x 5 ton forklifts (12 of them in operation), 26 x 3,5 ton forklifts (10 of these in operation), 3 x 25 ton forklifts (of which from one to three may be working) and 3 x 20 ton forklifts (all in operation).

j. Zambia is increasingly exporting copper via Beira. After a trial run of 3 000 tons in August 1986, Zambia exported 53 000 of copper via Beira from September 1986 to June 1987. *Remark* : Since November 1986 Zambia has not

exported any copper via South Africa, and according to Manica Freight Services in Zimbabwe, the latter exported 13 218 tons of freight via Beira during May 1987, ie 9 827 tons of copper, 1 800 tons of asbestos, 669 tons of cotton, 416 tons of tea and 268 tons of coffee. According to Mr Eddie CROSS (Managing Director of the BCG), Beira now handles about 18 percent of the exports from Mozambique, Zimbabwe and Zambia, as compared to five percent before they commenced with the upgrading of the Beira Corridor.

k. In Beira itself electricity has been available (with a minimum of interruptions) since February 1987. Water is also more readily available, while considerable amounts of garbage have been removed from the town.

3. *THE BEIRA-MUTARE RAILWAY, ROAD AND OIL PIPELINE*

a. The Beira-Mutare road is passable and petroleum products as well as food aid are being transported along this route. The road is at its worst between Tica and Dondo and is impracticable most of the time during the rainy season. Soldiers from Zimbabwe patrol the road from the Zimbabwe border up to Inhamitanda in Mozambique. The upgrading of the road has not yet commenced although a feasibility study was completed in 1985.

b. Towards the end of 1986 the capacity of the Beira railway line was 750 000 tons a year. According to the emergency development plan its capacity has to be raised to :

2,1 million tons by 1987
3,0 million tons by 1988
4,2 million tons by 1990.

The speed of trains is mostly restricted to 40 km/h,

although there are sections where the speed limit is fixed at 60 km/h.

c. It takes goods a minimum of 10 days to be transported by rail from Harare to Beira and a maximum of 22 rolling units (750 tons of goods) is used at a time. Because Zimbabwe exports considerably more goods via Beira than it imports, about 60 percent of the rolling units sometimes have to return from Beira empty en route to Harare.

d. As far as the Mutare-Beira track is concerned the National Railways of Zimbabwe (NRZ) have already completed the emergency upgrading between Mutare and Gondola, while the Mozambique Railways (CFM) is now helping with the upgrading of the section between Beira and Gondola, which is, as yet, unfinished. Between Machipanda and Gondola, Zimbabwean diesel locomotives are being used, while Garratt steam locomotives operate between Gondola and Inhamitanda, and from there to Beira, Mozambican diesel locomotives are being used. Owing to the unstable security situation trains run by day only. The return trip from Mutare to Beira takes 20 days, but efforts are being made to reduce this to 10 days.

e. The CFM has available :

- 28 diesel-electric locomotives, of which four - on an average - are in operation
- 41 steam locomotives, with an average of seven in operation
- 30 Garratt steam locomotives, with an average of 4 in operation.

Eight Garratts, one ordinary steam and two diesel-electric

locomotives are now under repair in Bulawayo, Zimbabwe, with the help of the US Agency for International Development (USAID). During 1988 the rolling-stock requirements for this route are to be investigated.

f. The oil pipeline is functioning well, despite sporadic sabotage attacks, mainly because repairs are effected quickly and interruptions are restricted to a minimum.

4. *REFLECTIONS*

Despite good progress made with the upgrading of the Beira-Mutare track, the volume of goods transported is still relatively low, since port facilities increasingly form the main stumbling-block when it comes to realising the Beira Corridor objectives. The major single problem continues to be the restrictions placed on the manoeuvrability and the size of ships by the Macuti access channel, while there are also several other port projects that are hampered by a lack of technicians and of basic materials. Certain other projects have indeed been successful, the most important which is probably that Zambia is no longer dependent on the South African infrastructure for her copper exports, but is making use of Beira and Dar es Salaam for this purpose.

DATE OF INFORMATION : August 1987
RELIABILITY GRADING : 2

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Sudáfrica

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REFERENCE : B/0961

DATE : 27 August 1987

SWAPO : INTELLIGENCE TRAINING IN ALGERIA

According to reports Sam NUJOMA has accepted the Algerian government's offer for training in intelligence and counter-espionage activities for SWAPO. SWAPO has already nominated a number of people for such training.

DATE OF INFORMATION : August 1987

RELIABILITY GRADING : 2

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REFERENCE : B/1005

DATE : 8 September 1987

KENYA : AID TO THE ANC

1. During a visit to Zambia on 14 June 1987 President MOI of Kenya handed a cheque of almost 1,5 million francs to Oliver TAMBO. *Remark* : No further details are known.

2. ELUCIDATION

MOI announced on 22 July 1987 that the Kenyan government had approved a request by the ANC to open an office in Kenya.

DATE OF INFORMATION : September 1987
RELIABILITY GRADING : 2

01 .01

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REFERENCE : B/1008

DATE : 8 September 1987

ZAMBIA : GOVERNMENT BLAMED FOR DECLINE

1. During a meeting of judges and magistrates on 25 August 1987 the member of the Zambian Central Committee for legal and political affairs, Mr Daniel LISULO, said that Zambia's political future is being threatened by a number of factors that are undermining Zambia's stability. According to Mr LISULO these factors include :

- An untenable decline in the maintenance of law and order
- The fact that the law is often misused by those in positions of authority and used to their own advantage
- Public servants have largely lost their will to work as a result of uncertainty regarding their future.

2. According to Mr LISULO (an advocate) this situation is largely the result of the inability on the part of the government - especially with regard to the implementation of the right measures at the right time.

DATE OF INFORMATION : September 1987
RELIABILITY GRADING : 2

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SECRET

REFERENCE : B/0860

DATE : 20 August 1987

USA : SUSPENSION OF AID TO PANAMA

1. The REAGAN Administration recently decided to suspend US economic and military aid to Panama as a result of the present unrest in the country, as well as the damage done to the US embassy in Panama by pro-government elements.

2. ELUCIDATION

Panama was to receive about US$20 million in economic aid and US$6 million in military aid from the USA in 1987.

DATE OF INFORMATION : August 1987
RELIABILITY GRADING : 2

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Procedencia Sud Africa.

REFERENCE : B/0913

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DATE : 20 August 1987

LESOTHO : CONCERN ABOUT STRIKES AT SOUTH AFRICAN MINES

1. On 11 August 1987 Lesotho's Minister for Labour, Welfare and Pensions, B R MTSOHI, said that his government was perturbed about the strikes at South African gold and coal mines. According to him the Lesotho government is well aware of the fact that many miners from Lesotho are involved and he expressed the desire that solutions would soon be found to end the strike. He also urged mine-workers returning to Lesotho to report to the labour office or to their tribal chiefs.

2. ELUCIDATION

   The 1986 earnings of Lesotho's migrant workers in South Africa are estimated at around R600 million.

DATE OF INFORMATION : August 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0794

6 August 1987

ETHIOPIA : TRAINING OF ANC AND SWAPO MEMBERS

1. According to unconfirmed reports the Ethiopian government limited during June 1986 the number of ANC and SWAPO members presently receiving training there to 2 000 owing to a shortage of space in the Tatek camp near the capital of Addis Ababa. The ANC and SWAPO members are allegedly transported from Harare, Zimbabwe, aboard ordinary scheduled Ethiopia Airways flights to Addis Ababa.

3. ELUCIDATION

In May 1986 President MENGISTU of Ethiopia offered to train and arm 10 000 ANC members in Ethiopia.

DATE OF INFORMATION : July 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0777

DATE : 6 August 1987

CUBA : RECENT EVENTS

1. *MEETING OF JOINT COMMITTEE FOR COOPERATION WITH ANGOLA*

The Joint Cuban-Angolan Committee met in Luanda, Angola, as from 6 July 1987 under the leadership of Mr Jorge RISQUET (Politburo member of the Cuban Communist Party) and Mr A SANTOS FRANCA (Angolan Deputy Minister for Defence and FAPLA's Chief of Staff). Cooperation in various fields was on the agenda.

2. *HONORARY DOCTORATE FOR MANDELA*

On 15 July 1987 the University of Havana, Cuba, conferred a Honorary Doctorate in Law on Nelson MANDELA. The doctorate was accepted on behalf of MANDELA by the President of the Cuban Anti-Apartheid Committee, A HAM. HAM also reaffirmed Cuba's solidarity with MANDELA and the "ideals of his people".

3. *MILITARY AID FOR MOZAMBIQUE*

According to information a Cuban ship, "Jiguani" discharged an unknown quantity of ammunition and military uniforms in Maputo harbour during the week of 14 to 21 June 1987.

DATE OF INFORMATION : July 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0739

DATE : 6 August 1987

ZIMBABWE : POSSIBLE APPOINTMENT OF CHINESE ADVISERS ON THE MANAGEMENT OF ZISCO

1. According to unconfirmed reports the Zimbabwe Department of Commerce is considering the appointment of advisers from the People's Republic of China on the management of the Zimbabwe Iron and Steel Corporation (ZISCO).

2. ELUCIDATION

For some considerable time ZISCO has been experiencing serious financial and managerial problems and on 30 March 1987 the Managing Director, together with five directors of this firm, was dismissed on account of ia the misapplication of funds.

DATE OF INFORMATION : July 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0908

DATE : 20 August 1987

NIGERIA : WHITE PAPER FOR THE RETURN TO A CIVILIAN GOVERNMENT

1. In July 1987 the Military Council of Nigeria announced a White Paper in accordance with which political power in this state will be handed over to a civilian government in 1992. This government will be largely based on the American federal government system.

2. This mainly involves the implementation of a political program according to a time table in the transition period from 1987 to 1992 and also provides for the following :

- Elections for almost 300 local authorities in 1987.
- The compositon of a Constitutional Council in 1988 to deliberate on a future constitution for Nigeria.
- Final decision by the Military Council in 1988 about whether additional federal units should be created in Nigeria. *Remark* : There are presently 19 federal states in Nigeria.
- The lifting of the ban on political parties in 1989. *Remark* : One of the central principles of the White Paper states that from 1992 only two political parties will be allowed to function in a so-called multi-party system.

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- The election of legislative councils for each state in 1990

- The election of the Federal Legislative Council, consisting of a Senate and a House of Representatives (bicameral system) as well as an Executive President in 1992.

- The dissolution of the Military Council in 1992, after which the new President will be instated.

b. At the same time President BABANGIDA issued a decree giving the Military Council power to act harshly with regard to attempts to disrupt the political program. He also warned that the ban on the formation of political parties would remain in force until 1989 and said that the gradual withdrawal of the military government would form a thorough basis for a just, free and democratic system. He also gave the assurance that no political ideology would be forced on the Nigerial population, since a suitable ideology would eventually be established by political maturity. However, the Military Council rejected a socialist system as not viable.

2. **ELUCIDATION AND COMMENT**

a. After BABANGIDA overthrew the former military government of President BUHARI in 1985 he indicated that political power in the country would be handed over to a civilian government in 1990. Subsequently the Military Council compiled a Political Bureau to compose a White Paper in which a future political system for Nigeria was recommended. However, with the announcement of the White Paper BABANGIDA indicated that the time-table for the implementation of the political program necessitated the prolongation of the transition period to 1992.

b. Although some less well known people in Nigeria expressed their dissatisfaction with the prolongation of the transition period, the restriction on the number of political parties as well as that the White Paper does not provide for a political system unique to Nigeria's circumstances, the great majority of the prominent Nigerian decision-makers, opinion formers and leaders of the banned political parties received the White Paper positively and endorsed it. According to them it will lead to ia political integration.

DATE OF INFORMATION : August 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0902

DATE : 20 August 1987

KENYA : OPPOSITION LEADER TRIES ONCE AGAIN TO OBTAIN MEMBERSHIP OF KANU

1. On 8 August 1987 Oginga ODINGA (opposition leader in Kenya) appealed to President MOI to give his approval to the recovery of his membership of KANU or to allow him to form a new political party. According to ODINGA he is still a member of KANU, since his lifelong membership of this organisation was never terminated.

2. **ELUCIDATION**

   a. ODINGA (a former member of KANU and Vice President from 1963 to 1966) was expelled from the ruling KANU party in 1981 after he described the government of the late President KENYATTA as "corrupt" and "unjust".

   b. In a sharply worded letter to President MOI on 30 June 1987, he accused the latter and KANU that democratic liberties in Kenya were non-existent, since the MOI government did not tolerate any criticism with regard to national policy. He also asked the government to allow a multi-party system in Kenya.

DATE OF INFORMATION : August 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0897

DATE : 20 August 1987

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__TAIWAN : UPGRADING OF DEFENCE__

1. Taiwan is busy with a process of upgrading its armed forces in which older naval vessels will be modernised or replaced, a new fighter plane is to be developed, armoured divisions to be modernised and a new series of missiles to be introduced. __*Remark*__ : The cost of these four projects is currently estimated at about US$7 billion.

2. ELUCIDATION

Taiwan decided upon this self-help scheme because its main supplier of arms, the USA, is no longer so keen on supplying Taiwan with the more sophisticated weapons, because of a growing tendency in the USA to establish closer ties with China (PRC). The Sino-American pact also places restrictions on such deliveries, but excludes the transfer of techology, consequently the USA apparently wishes to keep both China and Taiwan "contented", by rather concentrating on exporting technology to the latter.

DATE OF INFORMATION : August 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0816

DATE : 6 August 1987

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MOZAMBIQUE : ARMS SUPPLIES AND MILITARY INSTRUCTORS FROM USSR

1. According to information about 14 000 tons of weapons and ammunition were discharged by a Soviet ship, possibly the "Captain George Baglav", in Maputo harbour at the beginning of July. The ship arrived in Maputo on 29 June 1987.

2. According to further reports there are also approximately 200 Soviet military instructors, allegedly Spetsnaz in Mozambique, 50 of whom are currently in Maputo, while the rest are working in an advisory capacity at FAM training centres.

3. REQUEST

Any information suggesting an increase of USSR military supplies and/or involvement in Mozambique would be highly valued.

DATE OF INFORMATION : July 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0824

FIELD REPORT

DATE : 6 August 1987

ZIMBABWE : POSSIBLE INTRODUCTION OF IMPORT RESTRICTIONS WITH REGARD TO SOUTH AFRICA

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1. According to unconfirmed reports, Zimbabwe is weighing the possibility of trade restrictions on imports from South Africa, SWA, Israel, South Korea and the Republic of China.

2. The restrictions could involve that :

   - no import permits to Zimbabwean companies that are presently importing from these states will be issued

   - businesses that are presently totally or partially dependent on imports from these states, will have to obtain alternative suppliers since no import permits will be issued to these companies, should the restrictions be implemented.

   Remark : It is not known when the aforementioned measure are to be enforced.

3. ELUCIDATION AND COMMENT

   Should it be decided to implement these measures, there is a possibility that Zimbabwe is presently withholding the general announcement thereof in order to obtain greater propaganda value from them with their announcement during the Commonwealth conference in October 1987 in Vancouver, Canada.

DATE OF INFORMATION : July 1987
RELIABILITY GRADING : 3

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REFERENCE : B/0822

DATE : 13 August 1987

LEBOWA : PLANNED FERROCHROME PLANT

1. The Lebowa development corporations (LOK) and the West German multi-national company, Krupp, are planning to build a ferrochrome production plant at a cost of R70 million near Belfast in the eastern Transvaal.

2. ELUCIDATION

This production plant, in which the LOK will have the controlling share, is expected to be completed by the end of 1988 and will have a production capacity of 70 000 tons of ferrochrome per annum and create job opportunities for approximately 500 people.

DATE OF INFORMATION : July 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0876

DATE : 20 August 1987

LIBYA : GROWING INTERNAL DISCONTENT

1. Libya's internal political situation is currently marked by a growing discontent among the population and also the defence force, owing ia to Libya's weakening economy and to her continued military involvement in Chad.

2. During July 1987 three Libyan airforce officers defected to Egypt and asked for asylum. This followed upon two similar incidents in March 1987 when Egypt granted asylum to five Libyans. This overt discontent among defence force members is probably due to lack of motivation and the low morale caused by defeats suffered in Northern Chad since February 1987. In order to prevent this discontent from spreading in the defence force and the general public, troops returning from Northern Chad have been isolated in military camps in the south of Libya. Then, too, at the end of March 1987, Col KADAFFI deemed it advisable to put on stand-by that section of the armed forces responsible for internal security.

3. There are rumours in circulation of possible tensions between KADDAFI and Maj JALLOUD (who is generally) considered the second most important figure in Libya), particularly after the latter had been in Syria from November 1986 to February 1987. The reason therefor is unknown, but is generally attributed to differences of opinion between JALLOUD and KADDAFI ia after KADDAFI moved the administration to the vicinity of Al Jofra-Hun

(the new administrative capital 480 km to the south-west of Tripoli). This transfer of several government departments, ie that of Information and Health, the Army, Navy and Air Force headquarters of the Defence Force, obviously aimed at decentralising the administration for security reasons, led to dissatisfaction among personnel because of the sacrifices they had to make (eg separation from their families and working conditions in an exceptionally hot climate).

4. This discontent is aggravated by the shaky economic situation in Libya caused mainly by a sharp decline in oil earnings and the country's continued military involvement in Northern Chad. (*Remark* : During 1986, eg. Libya's oil earnings amounted to about US$5,8 billion, which is 47 percent less than in 1985). A considerable drop in imports has already caused a shortage of basic commodities. The economic situation has in fact deteriorated so much that in May 1987 KADDAFI for the first time, to our knowledge, admitted the decline openly with the warning that the economy might collapse unless imports were even further reduced, financial mismanagement eliminated and workers' productivity increased.

5. So far known there is as yet no organised internal opposition in Libya, because KADDAFI uses so-called revolutionary committees (known as "watch dogs") to exert control over the people. The discontent among the population, however, especially within the Defence Force, does provide opposition groups outside the country with the opportunity to try to destabilise the KADDAFI regime, keeping in mind that traditionally it was in the armed forces that KADDAFI had one of his strongest power bases and that it was owing to them that numerous assassination attempts against him were foiled.

DATE OF INFORMATION : August 1987
RELIABILITY GRADING : 2

NUMERO: B/0876

FECHA: 20 de agosto de 1987

LIBIA: CRECIMIENTO DEL DESCONTENTO INTERNO

1. La situación política interna de Libia está claramente marcada por un creciente descontento entre la población y también entre las fuerzas de defensa,entre otras cosas, debido al debilitamiento eco nómico de Libia y su continua presencia militar en el Chad.

2. Durante julio de 1987 tres oficiales de la fuerza aérea libia desertaron a Egipto solicitando asilo. Esto fue seguido por dos inci dentes similares en marzo de 1987 cuando Egipto concedió asilo a cinco libios. El descontento reinante entre los miembros de las fuer zas de defensa se debe probablemente a la falta de motivación y a la baja moral causada por las deserciones sufridas en el nordeste del Chad desde febrero de 1987. Tratando de prevenir estos descontentos que se extienden desde las fuerzas armadas y la población, se instaló a las tropas que volvieron del nordeste del Chad, en campos militares al sur de Libia. Es así que a fines de marzo de 1987, KHADAFFI consideró prudente acoplarlos a la sección de las fuerzas armadas responsables de la seguridad interna.

3. Circulan rumores de las posibles tensiones existentes entre KHADA FFI y el Mayor JALLOUD (quien es generalmente considerado la segun da figura más importante en Libia), particularmente después de lo acontecido en Libia desde noviembre de 1986 a febrero de 1987. La razón, sin embargo, es desconocida, pero generalmente se atribuye a las diferencias de opinión entre JALLOU y KHADAFFI, por ejemplo, luego que este último movilizó la administración hacia la vecindad de Al Jofra-Hun (la nueva capital administrativa a 480 Km. hacia el sudoeste de Tripoli). Esta transferencia de varios departamentos gubernamentales, por ejemplo, el de Información y Salud, las Fuerzas Militares, Navales y Aéreas, la Dirección General de las Fuer zas de Defensa, obviamente ayuda a descentralizar la administración por razones de seguridad, provocando insatisfacción entre el perso nal, debido a los sacrificios que tienen que realizar (por ejemplo, la separación de su familia y las condiciones de trabajo en un cli ma excepcionalmente cálido).

4. Este descontento es agrabado por la tambaleante situación económica en Libia causada principalmente, por un agudo descenso en las ganancias de petróleo y la continua presencia militar de la Nación en el Nordeste del Chad. (NOTA: Durante 1986, las ganancias de pe troleo alcanzaron alrededor de los US$ 5,6 billones, un 47% menos que en 1985). La considerable caída en las importaciones ha sido la causa de la carestía de los articulos básicos de vida. La situa sión económica en los hechos, se ha visto deteriorada mucho más

que en mayo de 1987. Por primera vez KHADAFFI, admitió el evidente deterioro de la situación, con la salvedad que reconoció que la economía puede sufrir un colapso a menos que las importaciones fueran reducidas, se eliminaran el mal funcionamiento financiero y se aumentara la productividad de los trabajadores.

5. Hasta donde se sabe no existe una oposición interna organizada, debido a que KHADAFFI utiliza a los nombrados comités revolucionarios (conocidos como "guardianes") para ejercer un estricto control sobre la población. El descontento entre la misma, aún dentro de las fuerzas de Defensa, les brinda a los grupos opositores en el exterior, la oportunidad de utilizar este sentimiento para desestabilizar al régimen, teniendo en cuenta siempre, que desde el principio fueron en las Fuerzas armadas donde KHADAFFI encontró una de sus más firmes bases de poder, por cuyo motivo además, fracasaron todos los intentos de asesinato perpetrados contra su persona.

FECHA DE INFORMACION: Agosto de 1987
EVALUACION: 2.

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REFERENCE : B/0856

DATE : 20 August 1987

BUTHELEZI : STANDPOINTS AGAINST VIOLENCE

1. In a speech before a delegation of Swiss politicians, churchmen and media personalities, at Ulundi on 27 July 1987 Chief Minister Mangosuthu BUTHELEZI made the following statements against violence :

- South Africa is at present not in a situation in which violence can be justified theologically, since violence is not yet the only option.

- The fact that violence does not start spontaneously in South Africa but is stirred up by means of political intimidation robs it of any theological justification.

- History has proved that the possibilities of a democratic dispensation are extremely slender if the existing order is overthrown by means of violence.

- Disinvestment is not the last step in the justification of violence, but the first step towards "an unavoidable violent solution".

2. ELUCIDATION AND COMMENT

These statements are probably in reaction to a decision taken during the SACC Annual Congress from 29 June to 3 July 1987, that the ANC is fighting "a justified war" in South Africa.

DATE OF INFORMATION : August 1987
RELIABILITY GRADING : 2

SECRET

Número: B/0856
Fecha: 20 de agosto de 1987

BUTHELEZI: SUS PUNTOS DE VISTA CONTRA LA VIOLENCIA

1.- En un discurso realizado ante una delegación de políticos Suizos, sacerdotes y personalidades en Ulundi el 27 de Julio de 1987, el Primer Ministro Mangosuthu BUTHELEZI, hizo la siguiente exhortación contra la violencia:

- Sudafrica en este momento, no está en situación de que la violencia pueda ser justificada teológicamente, desde el momento en que la violencia no es la única opción.
- El hecho es que la violencia no comenzó espontáneamente en Sudafrica.
- La historia ha demostrado que las posibilidades de la administración democrática es extremadamente insuficiente si el orden existente es abatido por medio de la violencia.
- La desinversión no es el último paso en la justificación de la violencia, pero si el primero hacia una solución de violencia inevitable".

2.- COMENTARIOS

Este discurso se dió probablemente, en reacción a la decisión tomada durante el Congreso Anual del SACC, llevado a cabo entre el 29 de junio al 3 de julio de 1987, en el que se establece que la guerra que está llevando a cabo el Congreso Nacional Africano (ANC) en Sudafrica está totalmente justificada.

FECHA DE INFORMACION: Agosto de 1987
EVALUACION: 2

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Enlace sudafricano
Traducir

REFERENCE : B/1000

DATE : 8 September 1987

135

CUBA : POSSIBLE ARMS PROVISION TO ZIMBABWE

1. Cuba and Zimbabwe are allegedly negotiating for the signing of a barter trade agreement of US$100 million. In accordance with the agreement the Zimbabwe government will receive about 60 percent of this amount and the Zimbabwe Air Force and Army would be the main receivers thereof. (*Remark* : An identical agreement between China and Zimbabwe is also presently being considered).

2. ELUCIDATION AND COMMENT

To date this will be the first large Cuban arms supply to Zimbabwe and would have - should this come about - indicated pragmatic economic ties between these two states notwithstanding the regular disputed points in their diplomatic links and their approach in the context of the NAM.

3. REQUEST

Confirmation of the above would be valued.

DATE OF INFORMATION : September 1987
RELIABILITY GRADING : 2

SECRET

01 .02 8711448

NUMERO: B/1000
FECHA: 8 de setiembre de 1987

CUBA: POSIBLE APROVISIONAMIENTO DE ARMAS A ZIMBABWE

1. Segun se afirma, Cuba y Zimbabwe están negociando la firma de un convenio por US$ 100 millones. En relación al mismo, el Gobierno de Zimbabwe recibirá alrededor del 60% de esta cantidad, siendo la Fuerza Aérea y el Ejército de ese país los principales receptores de dicha suma.
(**NOTA:** un acuerdo idéntido está siendo considerado entre China y Zimbabwe).

2. **COMENTARIO**
A la fecha, éste será el mayor apoyo armamentista que Cuba le proporcione a Zimbabwe y se habrían indicando los vínculos económicos entre los dos estados, pese a los diferencias en sus vínculos diplomáticos y su aproximación en el contexto del NAM.

3. **PEDIDO**
Confirmación sobre lo precedente que pueda ser evaluada.

FECHA DE INFORMACION: Setiembre de 1987
EVALUACION: 2

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SECRET

REFERENCE : B/0829

DATE : 13 August 1987

ZIMBABWE : ACTIVITIES AND EVENTS

1. FARMING PROJECTS IN MOZAMBIQUE

a. Approximately 150 trained Zimbabwean agriculturalists will commence with farming projects in August 1987, on a farm donated by the Mozambican government to the Zimbabwe/Mozambique Friendship Association (ZIMOFA).

b. According to information 4 000 hectares in each of Mozambique's 10 provinces were requested for similar projects in order to defeat RENAMO by means of the development of an economic infrastructure amongst the local population.

2. IRAN : REFINERY FOR ZIMBABWE

a. Iran will shortly be helping Zimbabwe with the further development of the Feruka oil refinery or, alternatively, to build a new refinery capable of processing all the crude oil in Zimbabwe.

b. ELUCIDATION AND COMMENT

i. An agreement between Iran and Zimbabwe with regard

to this project, has already been signed under very favourable conditions, in January 1986, when the Iranian President, KHAMEINI, visited Harare. Iran ia offered 10 percent of the estimated US$242 million as well as technical aid.

ii. The favourable conditions of this agreement were probably influenced by Iran's need for the political support of influential states in the Non-Aligned Movement (NAM) with regard to its conflict with Iraq. Zimbabwe however, did not follow up this offer, on account of a shortage of funds.

3. *ESTABLISHMENT OF DIPLOMATIC RELATIONS WITH SINGAPORE*

a. The Zimbabwean Department of Foreign Affairs recently announced that Zimbabwe and Singapore had established diplomatic relations at ambassadorial level.

b. ELUCIDATION AND COMMENT

i. This is a continuation of the tendency amongst members of the Non-Aligned Movement (NAM) which do not have diplomatic relations with Zimbabwe (at present NAM chairman) to establish relations.

ii. The expansion of diplomatic relations is probably also connected to Zimbabwe's attempt to diversify its trade relations, with the purpose of making the economic area less dependent on South Africa, amongst other things.

DATE OF INFORMATION : August 1987
RELIABILITY GRADING : 2

NUMERO: B/0829

FECHA: 13 de agosto de 1987

ZIMBABWE: EVENTOS Y ACTIVIDADES

1. PROYECTOS AGRICOLAS EN MOZAMBIQUE

a. Aproximadamente 150 agricultores preparados DE Zimbabwe comenzaron a llevar a la práctica los proyectos agrícolas, en agosto de 1987, sobre la extensión de campo donado por el Gobierno de Mozambique a Zimbabwe/Asociación de amigos mozambiqueños (ZIMOFA).

b. De acuerdo a información obtenida, se demandaron alrededor de 4.000 héctareas en cada de las 10 provincias de Mozambique para llevar adelante proyectos similares, a fin de rechazar al RENAMO mediante el desarrollo de la infraestructura económica entre la población local.

2. IRAN: REFINERIA PARA ZIMBABWE

a. En un futuro cercano Irán proporcionará ayuda a Zimbabwe mediante el desarrollo de la refinería de petróleo Feruka, o, en su defecto mediante la construcción de una nueva refineria con capacidad para procesar todo el petroleo crudo de Zimbabwe.

b. COMENTARIO

i. En enero de 1986 se firmo un acuerdo entre Irán y Zimbabwe relacionado a este proyecto, y en el que incluía numerosas condiciones favorables para éste último pais, el mismo se llevó a cabo con la firma del Presidente iraní KHOMEINI, en visita en Harare, Irán ofreció el 10% de la estimación de U$S 242 millones de dólares, así como ayuda técnica.

ii. Las numerosas condiciones favorables para Zimbabwe, estuvieron muy probablemente, influen

ciadas por las necesidades de Iran de lograr apoyo político dentro del Movimiento No Alineado (NAM) con relación a su conflicto con Irak. Zimbabwe sin embargo,no aceptó esta oferta, en consideración a la escases de fondos de que disponía.

3. ESTABLECIMIENTO DE RELACIONES DIPLOMATICAS CON SINGAPORE

a. El Departamento de Relaciones Exteriores de Zimbabwe recientemente anunció que Zimbabwe y Singapore habían establecido relaciones diplomáticas a nivel de Embajadas.

b. COMENTARIOS

i. Existe una inclinación constante entre los miembros del Movimiento No Alineado (NAM) que no mantienen relaciones diplomáticas con Zimbabwe, de establecerlas en un futuro cercano.

ii. La extención de las relaciones diplomáticas está probablemente vinculada al intento por parte de Zimbabwe de diversificar sus relaciones comerciales con el propósito de llevar al área económica una dependencia menor de la que tiene de Sudafrica, entre otras cosas.

04.04

SECRET

Traducir

REFERENCE : B/0966

DATE : 15 September 1987

USSR : ADJUSTMENTS TO ITS APPROACH TO THE SITUATION IN SOUTHERN AFRICA

135

1. Since the address of the Soviet leader, Mr Mikhail GORBACHEV delivered at the 27th congress of the Communist Party of the Soviet Union (CPSU) in March 1986, in which he ia declared that all regional conflicts should preferably be settled along political lines, there have been several statements by members of the Soviet government and by academics that might indicate an adjustment in its approach to southern Africa, and more specifically, South Africa. In this document these statements will be brought into perspective.

2. In June 1987 Mr Gleb STARUSHENKO (Deputy Director of the USSR Africa Institute of the Academy for Science) in the course of a lecture proposed a negotiated settlement with guarantees to Whites as a possible means of achieving the goal of an internationally approved majority government in South Africa. He paid special attention to what he termed "the controversial question within South Africa and abroad as to the ways and methods of abolishing apartheid and putting in its place a single, democratic state, since the system cannot be changed but has to be destroyed completely". *Remark* : STARUSHENKO's simultaneous reference to "a negotiated settlement" and "the destruction of apartheid" is no deviation from the traditional Soviet and SACP approach that there can be negotiation on transfer of power to a "Black majority" only after the extinction of "apartheid".

3. In order to achieve this goal the policy of the anti-racist forces towards the White minority should be geared towards increasing the rift that exists in the ranks of the Whites, particularly in so far as the matter of political reform is concerned. STARUSHENKO also referred to certain "real possibilities" which, if fully utilised, would cause liberal and moderate Whites to join the so-called anti-racist forces, while neutralising the conservative Whites. These "possibilities" are :

- "First, the programme of the anti-racist forces do not advance plans for a broad nationalisation of capitalist property as an indispensable condition and are ready to give the bourgeoisie the corresponding guarantee.

- Second, far from all members of the white community, including those belonging to its middle and lower strata, are willing to die in the last ditch in defence of the 'camp' as they are urged by the right extremists. Obviously, they would prefer a compromise and can hardly be expected to risk their lives and join in a massacre as deadly to the indigenous population as to themselves.

- Third, already today the ANC might work out comprehensive guarantees for the white population which could be implemented after the elimination of the regime of apartheid. Such guarantees would suit both the liberals and the pragmatists from the white community, neutralising at the same time the die-hards".

4. In respect of this last "possibility" STARUSHENKO proposes that these guarantees could for instance specify that the "post-revolutionary" parliament should comprise two chambers, ie one based on the principle of proportional representation, and the other with a right of veto and based upon equal representation f.r the four South African "communities".

(*Remark* : STARUSHENKO's proposal for a "right of veto" in the "post-apartheid" parliament will apparently hardly serve to protect the rights and views of any particular minority group, since the "right of veto" is not granted to each of the four communities, but only to the so-called second chamber as a whole). According to STARUSHENKO a further guarantee could specify that the state will have a unitary system making provision for "autonomous" units. The details of such a system should be determined at a national conference in which the South African government and "the true representatives" of the Coloured peoples must participate.

5. Although, according to STARUSHENKO, the international community favours a single democratic state for South Africa, some other solution such as a confederation or a federation would also be acceptable if the "conditions change in South Africa and the people approve of such a solution". He also believes that the granting of international guarantees could lead to a speedier termination of the conflict, and that the negotiating parties could, for instance, by mutual agreement select their own guarantors from among eminent international institutions or individual states.

6. As to the USSR's general approach to the "struggle" in South Africa, STARUSHENKO warns the anti-racist powers to guard against "the struggle losing its momentum". The revolutionary situation had not yet reached its full potential and is as yet restricted to Black residential areas while "the broad masses of the Black population, especially in the Bantustans, often stay aloof". According to him, students and jobless people form the vanguard of "anti-racist actions" in South Africa, while the workers themselves have not yet given the struggle their full support. He trusts, however, that the coming of COSATU will intensify the "struggle", politically and economically. Close cooperation between the SACP (as leader of the proletariat) and other

anti-racist forces is essential if the broad, general participation of the workers in the "struggle" is to be ensured.

7. According to STARUSHENKO the ANC and the UDF have to a large extent succeeded in the "struggle" as far as participation is concerned and, since both have the same objectives, this must not be interpreted as a matter of vieing with each other. The UDF, however, is still representing an "amorphous mass" of members, some of whom are disinclined to take part in mass campaigns. On the other hand, the greater homogenity of the ANC and their experience where it comes to the fusing together of "anti-racist forces", could, according to him, make an important contribution towards creating and establishing "a single, united national front of patriotic forces". The SACP is opposed to so-called Black Consciousness organisations (eg the PAC, AZAPO and the National Forum - NF) as their objectives could distract the attention of the masses in South Africa from the "revolutionary liberation struggle". In contrast to the Black Consciousness organisations the SACP plays a stabilising and an organising role as protector against "recklessness, Black chauvinism and racism".

8. Despite efforts by internal and external reactionary elements aimed at undermining the alliance between the ANC and the SACP, both these organisations support the principles of the Freedom Charter and are united by their mutual battle cry of "Fight till complete Victory". Allegations to the effect that such collaboration between the ANC and the SACP might cause other "anti-racist" organisations to become alienated from the ANC is considered by STARUSHENKO as being non-valid, especially for the following reasons :

- The common "struggle against apartheid" will gradually wear away these other organisations' initial resistance to cooperation.

- The argument that ANC-SACP collaboration will hamper possible contact between the ANC and the South African government is an illogical one, since the "apartheid system" has to be eliminated; consequently there can be no negotiations with it.

9. As to the nature of the revolutionary struggle, STARUSHENKO is in agreement with the traditional Soviet/SACP concept that the revolution in South Africa has to proceed through two phases : During the first of these, where the emphasis will fall mainly on general, "democratic" principles, the ANC is to take the lead in realising "national liberation", while the SACP plays the subordinate role as guardian of the workers' interests. The second phase must include the creation of a socialis economic structure whereby "true liberation" can be attained, with the SACP now in the vanguard. This party believes that restructuring of the South African community according to socialist principles will be possible at a later stage only and under the "right" conditions.

10. With regard to terminating the conflict in southern Africa STARUSHENKO reiterates the following Soviet prerequisites :

- The termination of "aggression" by South Africa against the Frontline states (FLS)

- That SWA be brought to independence immediately in accordance with UN Resolution 435

- The immediate elimination of "apartheid"

11. As to Soviet policy with regard to Africa, STARUSHENKO maintains that the ultimate objective is the optimal development of all the states on this continent with a view to ensure their political and economic independence. The means by which this goal can be

attained are primarily of a political nature, but in conjunction with economic, scientific and technical assistance. According to STARUSHENKO it stands to reason the methods employed for accomplishing Soviet objectives should be adapted and changed according to altered circumstances in the international situation.

12. The Soviet academic and member of the editorial staff of the authoritative Soviet journal International Affairs, D VOLSKY, writing in the February 1987 issue of this journal, stresses the fact that the conflict in South Africa must be ended by political means and that national rights should be granted for both Blacks and Whites.

13. A deputy director of the USSR Africa Institute, Dr Victor GONTCHAROV, during an interview held on 3 July 1987 in Harare, Zimbabwe, with Howard BARRELL (expatriate South African journalist in Zimbabwe, Editor, of Agenda Press Service - APS - there, and SACP member) concurred with STARUSHENKO's central idea that fundamental Soviet principles with regard to the matter under discussion (ia that all forms of "the struggle against the apartheid system" are justified and that the Soviet Union will continue to support SWAPO and the ANC) have not changed. GONTCHAROV also indicated that the USSR deemed it essential for the ANC not to be precipitate as far as the tempo of the "revolutionary struggle" was concerned, but should place more emphasis on the phase of "national liberation" and the consolidation of "a national democracy" than on the ultimate implementation of socialism. According to GONTCHAROV, the USSR does not look upon southern Africa as a region for super-power competition; thus Soviet-American dialogue on this region could lead to real cooperation between these two in an endeavour to find a solution for the conflict. He believes that these two super-powers have to play the role of initiators of a "domino-type" of peace process in southern Africa. This might very well begin as a joint operation in respect of food aid for

Mozambique, whereupon cooperation could be extended to a political solution for the conflict in Angola, SWA and finally, even South Africa.

14. In the latest Soviet statement on South Africa, GORBACHEV had the following to say during the visit of Pres CHISSANO of Mozambique to the USSR : The collapse of apartheid is inevitable, but we are not supporters of a 'the worse the better' scenario. There is no doubt about it that the elimination of the racist system by way of a political settlement will be in the interest of all South Africans, Black and White. Such a way must be sought and found. It is high time that Pretoria realise this. New ideas, a fresh approach and joint efforts are required". During this visit the Soviet Union also made it clear that it was not its intention "to teach" South Africans - be they Black or White - how they have to organise the post-apartheid society in South Africa.

15. The conclusion at which one could arrive is that the Soviet approach in respect of South Africa is being reconsidered in correspondence with GORBACHEV's global tactical adaptations, whereby it is attempted to create an image of greater openness, flexibility and cooperation in seeking solutions for international problems, which, in turn would lead to world peace. This international "peace offensive" has already borne fruit in so far as the USSR is now being considered more moderate, whilst in certain circles - even in the West itself - the USA is denounced as the aggressor.

16. This adjustment and the propagation of negotiations aimed at a political settlement have also found expression in certain Angolan statements on SWA and the withdrawal of Cuban troops. In this connection a resumption of negotiations between the parties involved has been proposed and apparently there is a readiness to be more flexible and make certain "concessions". In respect of Mozambique, too, who has in the meanwhile resumed discussions with South Africa, there are indications of a "changed" policy.

17. Soviet policy with regard to South Africa will probably henceforth lay greater stress on negotiation and, depending on developments in the "revolutionary situation", it might, for tactical reasons, even supercede the present emphasis on violence, especially if the latter fails to produce the desired results. There is even the possibility of the Soviet Union using her influence to persuade the ANC and the SACP to place greater emphasis on a more pragmatic approach with regard to negotiations without renouncing violence or putting a temporary end to it. What is quite clear, however, is that the USSR has in no way abandoned its main objective of establishing a Soviet-oriented regime in South Africa.

18. As far as White participation in economic activities within a "post-apartheid" dispensation is concerned it should be noted that since 1980 the USSR has warned Soviet-oriented states and "liberation movements" against the injudicious socialisation of a country's economy, as this could have disastrous results. A relevant example of this is Mozambique, where the sudden withdrawal of Whites had a catastrophic effect on the economy. It would be to the advantage of the USSR if a take-over of power in South Africa were to be accompanied by as little economic disruption as possible, and this is the reason why Moscow wants the Whites to be "assured" that their position will not be affected.

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URSS: COMPOSICION DE LAS VIAS DE ACCESO A LA

SITUACION REINANTE EN EL SUDESTE AFRICANO

1. Desde el discurso emitido por el líder soviético Mikhail GORBACHOV durante la realización del 27 Congreso del Partido Comunista de la Unión Soviética (CPUS) llevado a cabo en marzo de 1986, y en el cual declaró que todos los conflictos regionales deberían ser arreglados, preferiblemente a través de líneas políticas, se han realizado una serie de declaraciones por parte de miembros del gobierno soviético y por académicos, de que se puede señalar una disposición en cuanto al acceso en el sudeste africano, y más específicamente en Sudáfrica.
En este documento estas manifestaciones reflejan algunas de las perspectivas futuras.

2. En junio de 1987 el Señor Gleb STARUSHENKO (Director del instituto africano soviético de la Academia de Ciencias) en el curso de una disertación, propuso un arreglo mediante una negociación con garantías para los blancos, como un camino posible para llevar a cabo el objetivo internacionalmente aprobado de establecer un gobierno mayoritario en Sudáfrica. Puso especial énfasis en lo que llamó "el tema controversial en Sudáfrica y en el exterior como lo son los métodos y el camino para abolir el apartheid y establecer un estado simple y democrático, desde el momento en que el sistema no puede ser cambiado sino completamente destruído". NOTA: simultáneamente STARUSHENKO expresó que "las negociaciones" y "la destrucción del apartheid" no desvían el camino tradicional soviético y del SACP (Partido Comunista Sudafricano) y expresó que la transferencia del poder a una "mayoría negra" puede ser negociada solamente luego de la extinción del "apartheid".

3. Para lograr este objetivo la política de las fuerzas anti-racistas hacia la minoría blanca debería estar dirigida hacia una profundización de las diferencias existentes en la posición de los blancos, particularmente en temas tales como los concernientes a la reforma política. STARUSHENKO también se refirió a ciertas "posibilidades reales", si se utilizara ampliamente la causa liberal y moderada de los blancos, unida a las conocidas fuerzas anti-racistas, mientras se neutralizara a los conservadores blancos.
Estas "posibilidades" son:
   - -1) El programa de las fuerzas anti-racistas no promueve la planificación para una amplia nacionalización de la propiedad capitalista como una condición indispensable, estando prontos a brindar a la burguesía las garantías correspondientes.
   - -2) Salvo todos los miembros de la comunidad blanca, la población incluyendo aquellos pertenecientes a la clase media y baja, están

dispuestos a morir en defensa del "campo", mientras son impulsados por la derecha extremista. Obviamente, preferirían un compromiso pero se puede esperar con certeza a que ellos arriezguen sus vidas en una masacre conjunta, aún cuando ella fuera mortal tanto para la población indígena como para ellos mismos.

-3) Ya hoy el Congreso Nacional Africano pued. resolver el problema otorgando garantías a la población blanca, las que pueden ser complementadas luego de la eliminación del régimen del apartheid. Tales garantías servirían tanto para los liberales como para los pragmáticos de la comunidad blanca, neutralizando al mismo tiempo la violenta lucha que se sucede.

4. Con respecto a ésta última posibilidad, STARUSHENKO propuso que éstas garantías podrían -en instancias específicas en el parlamento "post-revolucionario"- comprometer dos principios fundamentales, uno basado en el principio de representación proporcional y el otro el derecho de veto y a la representación pareja para las 4 "comunidades" sudafricanas. (NOTA: La propuesta de STARUSHENKO sobre el "derecho a veto" en el parlamento "post-apartheid" aparentemente serviría para proteger los derechos e intereses de los grupos minoritarios, desde el momento en que el "derecho a veto" no constituye una garantía para las 4 comunidades mayoritarias, pero si lo es para el llamado segundo gabinete en su conjunto). De acuerdo a STARUSHENKO las garantías podrían especificar que el estado tendrá un sistema unitario, proporcionando disposiciones para las "unidades autonomas". Los detalles de tal sistema serían determinados en una Conferencia Nacional en la que estuvieran representados el gobierno Sudafricano y "los verdaderos representantes del pueblo de color".

5.- Aún cuando, de acuerdo con STARUSHENKO, la comunidad internacional está a favor de un simple estado democrático para Sudáfrica, algunas de las soluciones, tales como una Confederación o una Federación, podrían ser también aceptables si las "condiciones cambian en Sudafrica y el pueblo aprueba tal solución". También cree que las concesión de garantías internacionales podrían darle mayor impulso para la culminación del conflicto, y que las ártes negociantes -por ejemplo, mediante un mutuo acuerdo- podrdían seleccionar sus propios garantes de entre las más eminentes instituciones internacionales o estados individualmente considerados.

6. Tal como se establece en la propuesta general de la Unión Soviética, en relación al conflicto sudafricano, STARUSHENKO conmina a las fuerzas anti-racistas de quecuiden de que "la lucha pierda su momento". La situación revolucionaria aún no ha llegado a su punto máximo y hasta ahora se encuentra restringida a las áreas residenciales negras, mientras "el grueso de las masas de la población negra, especialmente en los Bantustanes, están cada vez más aislados".
De acuerdo con él, la población estudiantil y los desocupados forman la vanguardia de las acciones de los "anti-racistas" en Sudafrica, mientras los trabajadores no han brindado su total apoyo al conflicto.
Cree sin embargo, que la venida de COSATU intensificaría la lucha "tanto política como

económico. La estrecha cooperación entre el SACP (como líder del proletariado) y otras fuerzas anti-racistas, es esencial si se garantiza la amplia y general participación de los trabajadores en el conflicto.

7. De acuerdo a STARUSHENKO el ANC y la UDF han tenido un extenso éxito en "el conflicto", hasta donde ha alcanzado su participación y desde el momento en que ambos tienen los mismos objetivos, esto no debe ser interpretado como un problema de interferencia entre uno y otro. La UDF sin embargo, está representando una "masa amorfa" de miembros, algunos de los cuales están reacios a tomar parte en las campañas masivas. Por otro lado la gran homogeneidad del ANC y su experiencia -lo que viene a fusionarlo con las fuerzas anti-racistas- podrían de acuerdo a él, realizar una importante contribución a la creación y el establecimiento "de un simple frente de unidad nacional de las fuerzas patrióticas".
El SACP se opone a las llamadas organizaciones de conciencia negra (por ejemplo: la PAC, AZAPO y el Foro Nacional -FN) ya que sus objetivos pueden distraer la atención de las masas en Sudáfrica de la lucha por la liberación revolucionaria".
En contraste con las organizaciones de concientización negra, la SACP juega un rol preponderante en lo concerniente a la estabilidad y la organización como protector contra la "imprudencia, el chovinismo negro y el racismo".

8. Pese a los esfuerzos internos y externos por parte de los elementos reaccionarios dirigidos hacia una indeterminada alianza entre el ANC y el SACP, ambas organizaciones mantienen los principios de sus postulados de libertad, estando unidos por un mutuo esfuerzo hasta la victoria. STARUSHENKO alegó que la colaboración -entre la ANC y el SACP-pueden causar un alejamiento de otras organizaciones anti-racistas" del ANC, lo que considera injusto, especialmente por las razones que siguen:
   - La "lucha común contra el apartheid" gradualmente mermará la inicial resistencia de otras organizaciones hacia una cooperación.
   - Los argumentos de que la colaboración del ANC-SACP podría comprometer un posible contacto entre el ANC y el gobierno sudafricano es ilógico, desde el momento en que el "sistema del apartheid" ha sido eliminado, consecuentemente no podría negociarse con él.

9. Como es natural en una lucha revolucionaria, STARUSHENKO está de acuerdo con el concepto tradicional soviético/SACP de que la revolución en Sudafrica debe avanzar a través de 2 fases: durante la primera, donde el énfasis recaería principalmente en los principios "democráticos"; el ANC está tomando el liderazgo y llevando a cabo la liberación "nacional" mientras que el SACP juega un rol subordinado como vigilante de los intereses de los trabajadores.
La segunda fase debe incluir la creación de una estructura económica socialista por medio de la cual pueda ser lograda la "verdadera liberación" con el SACP en la vanguardia.
Este partido cree que la reestructuración de la comunidad sudafricana

de acuerdo a los principios socialistas, será posible tan sólo en la última etapa y bajo las "verdaderas" condicionantes.

10. En lo tocante a la terminación del conflicto en Sudáfrica, STANSHENKO reiteró las siguientes condicionantes soviéticas:
    -Culminación de la "agresión" por parte de Sudáfrica contra los "estados fronterizos" (FLS).
    -Que el "Sudoeste africano" debe ser llevado a la independencia inmediatamente en concordancia con la Resolución 425 de las Naciones Unidas.
    -La inmediata eliminación del "apartheid".

11. Como la política soviética con respecto al continente africano, STANSHENKO sostiene que el objetivo último es el óptimo desarrollo de todos los estados en este continente con vista a asegurar su independencia política y económica.
    Los medios por los cuales este objetivo puede ser logrado serían, primeramente de naturaleza política, pero siempre en conjunción con la asistencia económica, cientifica y técnica.
    De acuerdo a STARUNSHENKO esto respalda el hecho de que las razones de los métodos empleados para cumplir con los objetivos soviéticos deberían ser adoptados y modificados de acuerdo a las circunstancias en la situación internacional.

12. El académico soviético y miembro de la dirección editorial de la revista soviética "Asuntos Internacionales", D. VOLSKY, escribió en febrero de 1987 un artículo que fue publicado en esta revista, en el que enfatiza el hecho de que el conflicto en Sudáfrica debe ser concluído por medio de vías políticas y que los derechos nacionales deberían ser garantizados tanto para los blancos como para los negros.

13. El Director del Instituto Africano de la Unión Soviética Dr. Victor GONTCHAROV durante una entrevista realizada el 3 de julio de 1987 en Harare Zimbabwe, mantenida con Howard BARRELL (periodista sudafricano ex-patriado en Zimbabwe, Editor del Servicio de Agencias de Noticias -APS- allí y miembro del SACP) convino con la idea central de STARUSHENKO de que los principios soviéticos fundamentales con respecto a el tema en discusión (de que todas las formas de lucha contra el sistema apartheid son justificadas y que la URSS continuará apoyando a la SWAPO y al ANC) no han cambiado. GONTCHAROV también indicó que la URSS considera esencial que el ANC no se precipite en enfrascarse en una "lucha revolucionaria" pero debería poner más énfasis en la fase de "liberación Nacional" y la consolidación de "una democracia nacional" que en la implementación del socialismo.
    De acuerdo a GONTCHAROV, la URSS no considera a Sudáfrica como una región que pueda conllevar alguna competencia a los superpoderes. De acuerdo a esto, el diálogo soviético-americano en esta región podría liderar una auténtica cooperación entre estos 2 en un intento por encontrar una solución al conflicto. El cree que ambas superpotencias deberían jugar el rol de inspiradores del proceso de paz en Sudafrica. ESto podría ser un buen comienzo de operación conjunta con relación a la ayuda alimenticia otorgada a Mozambique, cooperación que puede extenderse hacia una solu

ción política para el conflicto en Angola, SWA y finalmente Sudáfrica.

14. En el último discurso soviético sobre Sudafrica, GORBACHOV, expresó lo que sigue, durante la visita que realizó el Presidente CHISSANO de Mozambique a la Unión Soviética: el colapso del apartheid es inevitable, pero nosotros no apoyamos el "mejor ni el peor" escenario de acción. No existen dudas sobre que la eliminación del sistema racista por medios o acuerdos políticos, están dentro del interés de todos los Sudafricanos, ya sean estos blancos o negros. Tal camino debe ser encontrado. Hace ya tiempo que Pretoria se ha percatado de que para esto se "requieren nuevas ideas, propuestas frescas y esfuerzos conjuntos". Durante esta visita, la URSS también dejo en claro que no estaba en su intención "el enseñar" a los Sudafricanos -ya sean estos blancos o negros- el modo en que ellos deben organizar la sociedad post apartheid en Sudafrica.

15. La conclusión a la que uno puede llegar es que las propuestas soviéticas con respecto a Sudafrica están siendo consideradas, en correspondencia con las adaptaciones tácticas globales que GORBACHOV hace y por medio de las cuales se llegue a crear una imagen de gran apertura, flexibilidad y cooperación" en la busqueda de soluciones para los problemas internacionales, los cuales liderarían la paz mundial. Esta "ofensiva pacífica" a nivel internaiconal ya ha dado su fruto, en la medida en que la Unión Soviética ahora están siendo considerada una Nación más moderada, mientras que en ciertos círculos -aún entre los occidentales- los Estados Unidos están siendo denunciados como agresores.

16. Esta adaptación y la propagación de las negociaciones, ayudó al establecimiento político que también ha encontrado cierto éco en las propuestas angoleñas sobre el SWA y el retiro de las tropas cubanas. Vinculado a esto, seha propuesto la reanudación de las negociaciones entre las partes involucradas y -aparentemente- existe cierto ambiente favorable para una mayor flexibilidad en lo que se refiere al otorgamiento de algunas "concesiones".
En lo que respecta a Mozambique, quien también tiene algunos puntos en disputa con Sudafrica, existen indicios de un "cambio" de política.

17. La política soviética con relación a Sudafrica, probablemente y en lo sucesivo, impondrá una mayor tirantez en lo que a lasnegociaciones se refiere y dependiendo del desarrollo de la "situación revolucionaria" puede, por razones tácticas, transferir el interés presente, hacia la violencia, especialmente sobre los últimos sucesos violentos acaecidos en la región, y que pueden producir resultados decisivos. Existe aún la posibilidad de que la URSS utilice su influencia para persuadir al ANC y al SACP de trasladar gran parte del interés de estos grupos hacia una vía más pragmática por medio de la cual llegar a alguna negociación sin renunciar a la violencia o poniendo punto final en forma temporaria a la misma. Lo que está claro, sin embargo, es que la URSS no ha abandonado el camino que la conduce a su principal objetivo que es el de establecer un régimen de orientación pro-soviético en Sudáfrica.

18. Hasta el momento en que los blancos se hicieron cargo de la administración económica del régimen "post apartheid", era evidente que desde 1980 la URSS estaba dando directivas y poniendo en sobreaviso a todos aque-

llos estados pro-sovieticos y a los "movimientos de liberación" contra las injusticias de la socialización de la economía de las naciones, que podrían traer aparejado resultados desastrosos.
Un ejemplo relevante de esto es Mozambique, donde la súbita retirada de los blancos tuvo efectos catastróficos para la economía. Sería una ventaja para la URSS si de tomar el poder en Sudáfrica, el mismo fuera acompañado de una desorganización lo más pequeña posible; debido a esto es que Moscú quiere que la posición de los blancos en la región no sea afectada en el futuro, para tener así la seguridad de que lo que pasó con Mozambique no vuelva a suceder en Sudafrica.

FECHA DE INFORMACION: Agosto de 1987
EVALUACION: 2

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135A/1 ENLACE BRASILERO

ENTRE LOS Nos

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INUR Nº 0019.3/07 JAN 87

Assunto: CUBA - Congresso do Partido Comunista

Durou três dias a sessão diferida do Terceiro Congresso do Partido Comunista Cubano, que reuniu em HAVANA 1.723 delegados de todo o país. Além de aprovar o 1º programa do Partido, seu objetivo original, o Congresso dedicou-se, por iniciativa de FIDEL CASTRO, a examinar criticamente os principais problemas da economia cubana.

O Comandante e outros líderes partidários fizeram diagnóstico severo da situação, apontando erros graves na gestão econômica, tais como: indisciplina no trabalho, baixa produtividade, desperdício de recursos humanos e materiais, falta de cobrança de resultados e pagamentos excessivos sem resposta produtiva.

FIDEL CASTRO foi particularmente enfático ao condenar a utilização de remuneração adicional como incentivo para a realização do trabalho, o que qualificou de "política de engano", geradora de "caos". Acentuou, a propósito, o que o "Granma" reproduz em manchete garrafal, que "a consciência, o espírito comunista, a vocação e a vontade revolucionárias foram, são e serão sempre mil vezes mais poderosos que o dinheiro".

O Congresso condenou também a prática da "desinformação econômica", de "falsos cumprimentos de metas" e denunciou os "encobridores", reconhecendo ainda que mais de 2.200 militantes do Partido e 400 dirigentes administrativos foram punidos pelos "erros cometidos".

A essência da resposta a essa situação consistiu em dar ao Partido, em detrimento dos administradores estatais, um papel mais decisivo em todos os níveis da gestão econômica, com o reforço da planificação e o incremento do "centralismo democrático". FIDEL, neste contexto, expressou sua fé inquebrantável em seus correligionários — apesar das punições referidas — ao declarar que "no momento em que o Partido começa a meter-se nos problemas, os problemas começam a resolver-se onde quer que seja". Insistiu ele, ainda, em que o processo de "retificação dos erros e tendências negativas" é "indispensável" para que se cum-

pra o programa do PCC e o Plano Qüinqüenal de 1986-90, modificado pelo Congresso do Partido, inclusive com ênfase no aumento das exportações do país.

Os comentários locais apontam no sentido de que as decisões da reunião implicam uma profunda inflexão na economia e mesmo na política cubana, tendo como característica principal a intervenção crescente do Partido Comunista em todos os níveis decisórios.

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Data da elaboração do documento: 19 DEZ 86

INUR Nº 0019.3/07 JAN 87

Assunto: CUBA - Congresso do Partido Comunista

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Data da elaboração do documento: 19 DEZ 86

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INUR Nº 1212.3/15 DEZ 86

Assunto: COLÔMBIA - Ações guerrilheiras.

Na sua mais violenta ofensiva desde a instalação do atual governo, as guerrilhas esquerdistas lançaram uma onda de sabotagem e terrorismo a povoados e a indústrias-chave da economia do país.

O Exército de Libertação Nacional (ELN) atacou, no dia 21 Nov. o principal centro de produção de ouro da COLÔMBIA, dinamitou um trecho do maior oleoduto que leva petróleo para exportação pelo Porto de COVENAS, no CARIBE, e destruiu duas pontes em importantes estradas que ligam BOGOTÁ à costa norte do país.

Membros da Coordenação Nacional Guerrilheira (CNG) ocuparam, por sete horas, o povoado de ZARAGOZA, a nordeste da Capital e mataram quatro policiais, fugindo com armas, munições e dinheiro roubado de uma agência do Banco Agrícola da região. Ao mesmo tempo, rebeldes da ELN assaltaram a cidade de SAN MARTIM, Departamento de BOLÍVAR, deixando dois guerrilheiros, quatro camponeses e dois agentes de segurança mortos.

Os ataques da ELN fazem parte de uma série de atos de sabotagem, destinados a obrigar as companhias estrangeiras associadas à ECOPETROL a pagar "impostos revolucionários" para poder operar na zona oriental do país.

No dia 25 Nov, o Presidente colombiano reuniu-se com o Ministro do Interior, FERNANDO CEPEDA, e com os altos chefes militares para analisar as conseqüências dos atentados terroristas. Em seguida, o Presidente fez uma exortação aos guerrilheiros, conclamando-os a deporem as armas e a aceitarem o diálogo pela paz.

A intensificação das ações guerrilheiras na COLÔMBIA tem preocupado muito o Governo VIRGILIO BARCO. Contudo, o Presidente colombiano continua com o propósito de buscar o diálogo com os extremistas, de forma a encontrar uma solução que atenda a todos os interessados e permita, ao Governo, dar continuidade ao equacionamento dos problemas do país.

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Data da elaboração do documento: 28 NOV 86

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ASUNTO: COLOMBIA- Acciones guerrilleras.

- Las guerrillas izquierdistas colombianas lanzaron una ola de sabotages terroristas contra poblaciones e industrias claves de la economía del país, en su más violenta ofensiva desde la instalación del actual gobierno.

- El Ejército de Liberación Nacional (ELN), atacó el dia 21 de noviembre del año pasado, al principal centro de producción de oro de Colombia, dinamitó un trecho del mayor oleoducto que lleva petróleo para exportación por el puerto de Covenas en el Caribe y destruyó dos puentes en importantes áreas que unen Bogotá con la costa norte del país.

-Integrantes de la Coordinadora Nacional Guerrillera (CNG) ocuparon durante siete horas el poblado de Zaragoza al nordeste de la capital. Durante la acción, los subversivos dieron muerte a cuatro policías, huyendo con armas, municiones y dinero robado de una agencia del Banco Agrícola de la Región. Al mismo tiempo rebeldes del ELN asaltaron la ciudad de San Martín, en el Departamento de Bolívar, con un saldo de dos guerrilleros muertos, además de cuatro campesinos y dos agentes de seguridad.

- Los ataques del ELN forman parte de una serie de actos de sabotages destinados a obligar a las compañias extranjeras asociadas a ECOPETROL, a pagar "impuestos revolucionarios" para poder operar en la zona oriental del país.

- El día 25 de noviembre del año pasado, el presidente colombiano se reunió con el Ministro del Interior, Fernando Cepeda y con los altos jefes militares, para analizar las concecuencias de los atentados terroristas. Inmediatamente el presidente hizo una exhortación a los guerrilleros para que depongan las armas y acepten un diálogo por la paz.

- La intensificación de las acciones guerrilleras en Colombia preocupa al presidente Virgilio Barco que asimismo continúa con el propósito de buscar el diálogo con los extremistas, de forma de encontrar una solución que atienda todos los intereses y permita al gobierno dar continuidad y solución a los problemas del país.

PE 1-024 del 17-2-87

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ENLACE Brasileño

INUR Nº 1200.3/11 DEZ 86

CAUSA

Assunto: CHILE. A ação subversiva no país. Perspectivas.

A pretexto de se alcançar a redemocratização do CHILE, anseio popular legítimo e propósito governamental, o Partido Comunista Chileno (PCCh) vem tentando a derrubada do Presidente AUGUSTO PINOCHET por intermédio da luta armada, posta em prática pela "Frente Patriótica MANUEL RODRIGUEZ" (FPMR).

O PCCh, o mais bem estruturado da AMÉRICA DO SUL, e diretamente ligado a MOSCOU, é responsável pela propaganda e pelo planejamento dos atos de subversão. Os militantes da FPMR, conhecidos como "rodriguistas" ou "manolitos", recebem treinamento em CUBA, em guerrilha e sabotagem com explosivos. HAVANA também propicia a remessa de armas para o grupo, conforme indícios surgidos no recente descobrimento de vários arsenais clandestinos em poder da subversão chilena. Há, ainda, o "Movimento de Esquerda Revolucionária" (MIR) que, embora em fase de reestrururação, colabora com os outros dois, sobretudo com o primeiro, embora não haja dependência entre eles.

Os "miristas", segundo denúncias das autoridades chilenas, contam com a ajuda da NICARÁGUA, tanto financeira quanto na instrução de quadros.

Treinados em subversão, guerrilha e sabotagem, os "miristas" devem estar aptos a levar a cabo, em 1987, o plano subversivo-terrorista no CHILE, decidido numa reunião em CUBA, em 1985, na qual se debateu a forma de atuação das três organizações chilenas, de modo a se obter a "redemocratização" do país, por meio da luta armada plena.

Assim, os militantes do MIR, no programa desenvolvido por MANÁGUA, ficaram divididos em dois grupos: o primeiro deveria estar pronto para ingressar ilegalmente no CHILE a partir de 1986 e o segundo no início de 1987, valendo-se da entrada de turistas argentinos durante o verão.

Está previsto que até 1989 haja cerca de 5.000 militantes no CHILE. Tal efetivo seria alcançado com a ajuda de

subversivos de outros países sul-americanos que, a partir de 1987, deveriam unir-se à FPMR e ao MIR para iniciar a "sublevação nacional", cumprindo a ameaça de recrudescimento da violência, de forma a forçar PINOCHET a renunciar à Presidência do CHILE, antes do término de seu mandato.

A ação de esquerda chilena teria por principais objetivos:

1. Impedir, ou pelo menos dificultar, a estruturação de um Regime democrático pleno, no CHILE, conforme as disposições da Constituição de 1980, ora em vigor;

2. Forçar o Governo chileno a assumir medidas de segurança extremas, que possam ser apresentadas ante os Organismos Internacionais como "provas" de má vontade do Governo com o estabelecimento da democracia plena no país e que, ao mesmo tempo, sirvam de pretexto para que os Governos ocidentais apliquem sanções ou medidas restritivas ao CHILE, pressionados pelos partidos de esquerda e/ou grupos de pressão.

3. Estabelecer zonas e áreas "liberadas", a partir das quais será iniciada uma guerra de guerrilha, no estilo daquelas de CUBA, NICARÁGUA e EL SALVADOR; e

4. Incrementar o terrorismo urbano, a fim de amedrontar a população e minimizar ou eliminar sua vontade de lutar ou reagir.

O envolvimento de MOSCOU, HAVANA e MANÁGUA com a subversão chilena leva SANTIAGO a considerar a ação como uma agressão externa ao Governo e ao povo do CHILE. A despeito dos recentes insucessos das três organizações, como o frustrado atentado ao Chefe de Estado em Set 86, o Palácio de La Moneda acredita que os grupos antagônicos continuarão agindo no CHILE na tentativa de chegarem ao poder.

Hoje, o argumento de que MOSCOU não perdoa SANTIAGO pelo fim do socialismo de SALVADOR ALLENDE torna-se simplista diante do fato de que a posição geográfica do CONE SUL, como um todo, e do CHILE, em particular, torna-se estratégica, uma

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vez que: o Estreito de Magalhães permite o acesso ao Oceano Atlântico; o extenso litoral chileno, de difícil patrulhamento, limita-se com o Oceano Pacífico; a Cordilheira dos Andes, ainda que seja uma barreira natural entre o CHILE e seus vizinhos, facilita o trânsito clandestino de guerrilheiros; e também, pelas dificuldades de vigilância, os vastos vazios populacionais podem permitir a ocultação de militantes.

A questão da influência comunista no CHILE, entretanto, assume maior seriedade ao notar-se que a ação subversiva chilena não é apenas um problema interno de Segurança Nacional. O envolvimento soviético-cubano com a luta armada no CHILE faz com que o problema extrapole de suas fronteiras podendo assumir uma dimensão regional, na medida em que o país sirva de "laboratório" para um plano insidioso de maior abrangência.

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OBS: Data da elaboração do documento: 03 DEZ 86

PE (interno y externo

CHILE : LA ACCION SUBVERSIVA EN EL PAIS.-

Con el pretexto de alcanzar la redemocratización de CHILE, el PCCH, viene intentando el derrocamiento del Presidente AUGUSTO PINOCHET a través de la lucha armada, puesta en práctica por el FRENTE PATRIOTICO MANUEL RODRIGUEZ (FPMR).

El PCCH es el mejor estructurado de AMERICA DEL SUR, y está directamente ligado a MOSCU, es el reponsable de la propaganda y del planeamiento de los actos de subversión. Los militantes del FPMR, conocidos como "rodriguistas"o "manolitos", reciben entrenamiento en CUBA, en guerrilla y sabotaje con explosivos. La Habana también provee de armas al grupo, según indicios surgidos luego del reciente descubrimiento de varios arsenales clandestinos en poder de la subversión chilena. Hasta ahora, el Movimiento de Izquierda Revolucionaria (MIR) , en una etapa de reestructura, colabora con los otros dos, sobre todo con el primero, pero por ahora no hay dependencia entre ellos.
Los "miristas" según denuncias de las autoridades chilenas cuentan con ayuda de NICARAGUA, tanto financieramente como en la instrucción de cuadros.

Entrenados en subversión, guerrilla y sabotaje, los "miristas" deben estar aptos para llevar a cabo en 1987 el plan subversivo-terrorista en CHILE, decidido en una reunión en CUBA, en 1985, en la que se debatió la forma de actuación de las tres organizaciones chilenas, de manera de obtener la "redemocratización" del país, por medio de la lucha armada.

Es así que los militantes del MIR, de acuerdo a un programa ideado por MANAGUA, actuarán divididos en dos grupos: el primero déberá estar pronto para ingresar ilegalmente en CHILE a partir de 1986 y el segundo a principios de 1987, valiéndose de la entrada de turistas argentinos durante el verano.

Esta previsto que antes de 1989 halla cerca de 5.000 militantes en CHILE. Tal efectivo será alcanzado con la ayuda de subversivos de otros países sudamericanos, que, a partir de 1987, deberán unirse a FPMR y al MIR para iniciar la sublevación nacional, cumpliendo la amenaza de recrudecimiento de la violencia, como forma de forzar a PINOCHET a renunciar a la Presidencia de CHILE, antes del término de su mandato.

La acción de izquierda chilena tendría por pincipales objetivos:

1) Impedir o al menos dificultar la reestructuración de un régimen democrático pleno en CHILE, conforme a las disposiciones de la

Constitución de 1980, ahora en vigor.

2) Forzar al Gobierno chileno a asumir medidas de seguridad extremas, que pudieran ser presentadas ante los Organismos Internacionales como "pruebas" de mala voluntad del Gobierno, con el establecimiento de la democracia plena en el país y que , y que en el menor tiempo sirvan de pretexto para que los gobiernos occidentales apliquen sanciones o medidas reestrictivas a CHILE, presionados por los partidos de izquierda y/o los grupos de presión.

3) Establecer zonas y áreas "liberadas", a partir de las cuales será inciada una guerra de guerrilla, semejantes a las de CUBA, NICARAGUA y EL SALVADOR;

4) Incrementar el terrorismo urbano, a fin de amedrentar a la población y minimizar o eliminar su voluntad de lucha.

El involucramiento de MOSCU, LA HABANA y MANAGUA con la subversión chilena llevan a SANTIAGO a considerar la acción como una agresión externa al Gobierno y al pueblo de CHILE. A despecho de los recientes insucesos de las tres organizaciones, como el frustrado atentado al Jefe de Estado en setiembre de 1986, el Palacio de La Moneda, asegura que los grupos antagonicos continuarán intentando llegar al poder en CHILE.

Hoy , el argumento de que MOSCU no perdona a SANTIAGO por el fin del socialismo de SALVADOR ALLENDE se vuelve simplista, ante el hecho de que la posición geográfica del CONO SUR, como un todo, y de CHILE, en particular, se vuelve estratégica,debido a que el Estrecho de Magallanes permite el acceso al Océano Atlântico; el extenso litoral chileno, de difícil patrullaje, limita con el Océano Pacífico ; la Cordillera de los Andes además de ser una barrera natural entre CHILE y sus vecinos, facilita el tránsito clandestino de guerrilleros; y también por las dificultades de vigilancia, los vastos vacios poblacionales pueden permitir el ocultamiento de militantes.

La cuestión de influencia comunista en CHILE, asume mayor seriedad al notarse el avance de la subversión chilena , no es sólo un problema interno de Seguridad Nacional. El involucramiento soviético-cubano en la lucha armada en CHILE hace que el problema sobrepase sus fronteras pudiendo asumir una dimensión regional, en la medida que el país sirva de "laboratorio" para un plan insidioso de mayor envergadura.

Enlace brasileño

135/A

INUR Nº 0018.3/07 JAN 87

Assunto: MÉXICO - Fusão da esquerda.

Intensa movimentação deverá agitar a esquerda mexicana a partir de Jan 87, no propósito de solucionar a fusão partidária dos Partido Socialista Unificado do México, Partido Mexicano dos Trabalhadores, Partido Popular Revolucionário, Unidade de Esquerda Comunista e Movimento Revolucionário do Povo.

É intenção formar um partido capaz de fazer frente ao atual Partido Revolucionário Institucional (PRI) que está no poder há mais de meio século. Um dos fatores que vêm pressionando a fusão seria o projeto governamental de reforma constitucional do sistema e do código eleitorais. A aprovação desse projeto pelo Congresso da União implicará na perda de registro do partido que não alcançar 5% de votos numa eleição federal.

A esquerda, apesar do grande número de organizações, vem perdendo terreno político e eleitoral no país, enquanto a direita e o Partido Ação Nacional, principais opositores do PRI, continuam ganhando adeptos.

Para desfazer a ameaça subjacente da unificação das esquerdas, os analistas consideram um requisito necessário a ratificação da doutrina ideológica do PRI e o revigoramento dos seus enunciados programáticos de democracia, justiça social e nacionalismo revolucionário.

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Data da elaboração do documento: 19 DEZ 86

Embaixada brasileira

135/A

INUR Nº 0017.3/07 JAN 87

Assunto: VENEZUELA - Narcotráfico.

O General JULIO SANTOS CORREDOR RUIZ, Chefe do Comando Regional da Guarda Nacional, ao fazer um balanço geral, declarou que, em 1986, foram destruídos mais de um milhão de pés de maconha e confiscados 28.500 quilos do produto, na Região de SIERRA DE PERIJA, na fronteira com a COLÔMBIA.

Ao apresentar um retrospecto das atividades desenvolvidas pelas unidades empenhadas na luta contra o narcotráfico, o General RUIZ afirmou que o Governo da VENEZUELA prosseguirá em seus esforços de coerção ao tráfico de drogas.

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Data da elaboração do documento: 19 DEZ 86

Embaixada Brasileira

INUR Nº 0014.3/07 JAN 87

Assunto: ~~CHILE — Pena~~ de morte a "miristas" é anulada.

A Corte Marcial tornou "sem efeito" a decisão da Suprema Corte de Justiça, ratificada pela Justiça Militar, segundo a qual três militantes do "Movimento de Esquerda Revolucionária (MIR)" seriam condenados a morte pelo atentado que redundou na morte do Intendente da Região Metropolitana (SANTIAGO), CAROL URZUA, e seus dois guarda-costas, em Ago 83.

A Corte Marcial acolheu o recurso do advogado dos "miristas" HUGO MAROCHANT MOYA, JORGE DONOSO e CARLOS APANEDO MIRANDA, ao alegar que somente o Congresso, atualmente fechado, poderia decidir sobre a pena de morte. A defesa argumentou, ainda, que a "Lei Antiterror", na qual os militantes estão enquadrados, só entrou em vigor em 1984 e o crime foi cometido em 1983.

O processo retornará à Justiça para que seja decidida a pena que os acusados cumprirão.

A decisão da Corte Marcial fugiu ao esperado, sobretudo após a Justiça Militar ter confirmado a sentença dada pela Suprema Corte de Justiça. Esperava-se, também, que o Regime utilizasse o caso explicitamente para demonstrar seu propósito de conter a subversão a todo custo.

— **Atentados a bomba**

No dia 15 Dez 86 ocorreram seis atentados a bomba na capital chilena, sem vítimas. Em ações quase simultâneas, grupos lançaram bombas e dispararam metralhadoras contra dois quartéis, uma delegacia de polícia, uma igreja mórmon, a ferrovia que liga SANTIAGO ao sul do país e o escritório de um departamento do Governo.

Embora nenhum grupo tenha reivindicado a autoria dos atentados, os mesmos ocorreram por ocasião do terceiro ano de formação da "Frente Patriótica MANUEL RODRIGUEZ (FPMR)", criada quando os comunistas chilenos optaram pela "via violenta" como forma de desestabilizar o Regime vigente no país.

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Data da elaboração do documento: 19 DEZ 86

Enlace brasileiro 01/02

INUR Nº 1184.3/04 DEZ 86

ASSUNTO: Exterior BOLÍVIA - Mediterraneidade.

A 16ª Assembléia Geral da Organização dos Estados Americanos (OEA) abordou, novamente, a questão da mediterraneidade boliviana. A BOLÍVIA perdeu sua saída para o mar em conseqüência da Guerra do Pacífico em 1879 e apresentou à Assembléia, à semelhança do que fez em anos anteriores, o problema do enclausuramento geográfico, como um obíce ao desenvolvimento econômico e social. O Projeto de Resolução foi aprovado por 21 votos a favor, um contra (CHILE) e duas abstenções (Estados Caribenhos).

O Chanceler chileno JAIME DEL VALLE, ao fundamentar o voto contrário ao Projeto, declarou que não existem controvérsias territoriais com a BOLÍVIA, eis que as fronteiras ficaram determinadas pelo Tratado de Paz de 1904 e os Organismos internacionais carecem de competência para considerar o tema.

O Governo de LA PAZ suspendeu suas relações diplomáticas com o CHILE em 1968, mantendo os vínculos consulares. Apesar das limitações diplomáticas existentes, a Assembléia da OEA ensejou a realização de um quarto encontro para tratar de importantes aspectos de aproximação entre os dois Governos.

Ao término da Assembléia-Geral, os dois Chanceleres convieram, que as conversações teriam prosseguimento em MONTEVIDÉU, no mês de abril de 1987.

Posteriormente, em ARICA, JAIME DEL VALLE, ao traduzir o pensamento do Governo chileno, declarou que o restabelecimento das relações diplomáticas com a BOLÍVIA "não é necessário, nem conveniente e tampouco indispensável".

- **Declaração da Igreja Católica.**

A Igreja Católica questionou a política econômica e social do Governo VICTOR PAZ ESTENSSORO, ao declárar que a insensibilidade não pode ser institucionalizada.

O posicionamento religioso foi exposto pelo Presidente da Conferência Episcopal da BOLÍVIA, Monsenhor JULIO TERRAZAS, ao inaugurar, dia 17 Nov, em COCHABAMBA, a Segunda Assembléia Ordinária, com participação de 50 bispos de todo o país.

Segundo Monsenhor TERRAZAS, o povo boliviano aguardava um pronunciamento do episcopado sobre os graves problemas conjunturais, caracterizados pelos baixos salários e elevado índice de desemprego.

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135/A

Embaixada brasileira

INUR Nº 932.3/25 SET 86

CHILE. Atentado ao Presidente e decretação do Estado de Sítio.

O Presidente AUGUSTO PINOCHET sofreu um ataque a granadas e armas automáticas do qual saiu vivo, no dia 07 Set 86 às 18:40 (19:40, em BRASÍLIA). Seis membros de sua comitiva morreram e onze ficaram feridos. Dois dos mortos não puderam ser identificados pois seus corpos ficaram carbonizados.

O atentado ocorreu a cerca de 30 km de SANTIAGO quando PINOCHET retornava de sua residência de descanso na pré-cordilheira, a cerca de 60 km da capital chilena. Houve tiroteio entre o comando guerrilheiro e a escolta presidencial. Em seguida, um batalhão "Cobra", especializado em ações antiterroristas, bloqueou a área e iniciou a busca aos atacantes, não só no local como também em bairros de operários e pontos estratégicos de SANTIAGO.

O Secretário-Geral do Governo, FRANCISCO JÁVIER CUADRA LIZANA, afirmou em entrevista coletiva à imprensa que pelo menos 12 homens participaram do assalto ao Presidente.

As principais autoridades do Governo reuniram-se no Palácio de La Moneda para decidir sobre a decretação do Estado de Sítio no país, medida anunciada pouco depois das 23:00 (24:00 em BRASÍLIA) pelo Ministro do Interior, RICARDO GARCIA RODRIGUEZ, "em consideração à profunda comoção interna" gerada pelo ataque.

Cerca de três horas após o atentado, o Presidente apareceu numa varanda da residência oficial para tirar as dúvidas sobre sua sobrevivência e saudou um grupo de simpatizantes que ali estava reunido. Por volta da meia-noite, concedeu uma entrevista transmitida pelo canal oficial de televisão, na qual apareceu com a mão esquerda enfaixada. Na ocasião, apresentou detalhes do primeiro atentado que sofreu e declarou que o fato "prova que o terrorismo é sério e mais grave do que dizem". Criticou a oposição e disse que a situação atual do CHILE " é uma guerra contra o marxismo. Ou o cáos, ou a democracia".

Momentos após o atentado, um homem fez um chamado telefônico aos órgãos de imprensa, declarando que "a Frente Patriótica MANUEL RODRIGUEZ (FPMR) não morreu. Falhamos, mas não falharemos outra vez". Entretanto, algumas horas mais tarde, o porta-voz do grupo guerrilheiro, JORGE SALAS, único autorizado a falar em nome da FPMR, desmentiu ter dado a declaração, sem contudo ter negado a autoria do ataque.

Dia 11 Set 86, PINOCHET completará 13 anos à frente do Governo chileno. Tanto a FPMR quanto o outro grupo guerrilheiro chileno, "Movimento de Esquerda Revolucionária" (MIR), prometeram recrudescer as ações terroristas para forçar a renúncia do Chefe de Estado. Declaradamente, o MIR deseja a tomada do poder, enquanto a FPMR, acusada de ser o braço armado do Partido Comunista Chileno (PCCH), admite depor as armas quando conseguir o fim do atual Regime e a democracia for restabelecida no país.

Em meados de Ago 86, vários arsenais clandestinos foram localizados em território chileno. As armas pertenciam à FPMR, que teve vários de seus líderes presos, inclusive instrutores de guerrilha. À época, PINOCHET apresentou pessoalmente o armamento à Nação e declarou guerra ao terrorismo. No início de Set 86, uma proposta de paralização nacional provocou violentos choques entre manifestantes e forças de segurança. O saldo do evento foi pelo menos 10 feridos, alguns gravemente, mais de 300 detidos e dois mortos. No entanto, a convocação oposicionista teve pouca adesão da população.

A situação política chilena preocupa tanto os defensores dos direitos humanos quanto alguns governos estrangeiros. Embora PINOCHET não admita qualquer interferência externa, vários governos representados em SANTIAGO advertem que o radicalismo do Regime pode levar o país a um impasse que só favorece às esquerdas, pois o Presidente resiste a dialogar com as oposições e reprime com força as manifestações contrárias ao Governo.

- Ainda que a apreensão dos armamentos destinados à FPMR tenha representado um golpe para a guerrilha, a FPMR assim como o MIR parecem estar dispostos a levar a cabo a ameaça de espalhar o terror pelo país, caso PINOCHET não renuncie ou tome medidas favoráveis à redemocratização do país.

OBS: Data da elaboração do documento: 08 SET 86.

Enlace brasileño

135/A

ARGENTINA. Nova etapa do Plano Austral.

O Governo do Presidente RAUL ALFONSIN mostra-se bastante preocupado com o desenvolvimento do processo econômico interno no país, em face dos últimos dados tornados públicos, a ressaltar, principalmente, o índice da inflação do mês de julho último - 6,8% -, perfazendo uma taxa anual acumulada de 50,9%. Inquietude sobre essa progressão está a cercar as autoridades argentinas, tendo em vista que as primeiras projeções para o cálculo do mês de agosto estariam a indicar uma taxa entre 7 e 7,5%, a superar, dessa maneira, o valor recorde em julho do corrente ano.

O Presidente ALFONSIN, frente a esses resultados surpreendentes, determinou estudos urgentes no sentido de estancar o surto inflacionário, de forma a manter a quadro econômico do país dentro das previsões oficiais.

Após a mobilização de toda a equipe econômica do Governo na elaboração de um conjunto de medidas emergenciais, o Ministro da Economia, JUAN SOURROUILLE, colocou em execução, dia 11 Ago, a "Nova Etapa" de estabilização econômica da ARGENTINA, também conhecida como "Australito", estabelecendo:

- a manutenção do atual esquema de aumentos salariais semestrais;
- o aumento nas taxas de juros;
- a aceleração nas minidesvalorizações do Austral;
- o controle rigoroso do preço de todos os produtos, inclusive o tabelamento na área de serviços;
- os estímulos fiscais para contratação de empregados no setor privado;
- a privatização de empresas públicas; e maiores incentivos para demissões voluntárias de funcionários públicos.

Em face das medidas restritivas impostas, a vigo

rarem a partir da segunda quinzena do mês de agosto em curso, registrou-se de imediato um aumento de 48% nas taxas de juros regulares (pré-fixados, setor público) com uma desvalorização de 3,22% do austral em relação ao dólar, a 12ª registrada desde abril deste ano.

O "aperto" monetário e fiscal decretado pelo Governo objetiva reduzir o volume de dinheiro circulante, de forma a viabilizar as perspectivas do setor, em conseguir fechar o quarto trimestre do ano com um déficit público igual ou inferior a 3% do PIB, bem como desalentar a formação de estoques especulativos e conter o dólar no paralelo.

As medidas impostas para controle dos preços serão rigorosas e o tabelamento incluirá a área de serviços, em face dos aumentos das tarifas públicas estarem pressionando o índice de inflação. Essas medidas, além de ter um peso específico e imediato sobre a evolução da taxa inflacionária, reforçaria a imagem pública de um governo preocupado em encontrar o seu próprio equilíbrio financeiro.

Na questão salarial, o Governo pretende ser inflexível nas negociações com a classe empresarial e com a poderosa Central Geral do Trabalho (CGT), para controlar a política de preços e de salários, que desde março tem escapado do controle oficial, por força dos constantes movimentos reivindicatórios dos setores sindicais.

Ante às dificuldades encontradas na condução de um rígido controle na área cambial, o Governo argentino, após treze meses da implantação do programa Austral, iniciou, em abril passado, a aplicação de sucessivas minidesvalorizações da moeda nacional, tendo como principal meta estimular as exportações e aumentar, dessa forma, a receita cambial destinada a honrar os compromissos financeiros. As taxas básicas para depósito de trinta dias aumentaram de 4,2 para 5,5% ao mês, na expectativa de conter o consumo e aliviar a pressão inflacionária. Não obstante, o nível de remuneração é negativo em termos reais, se comparado ao índice de inflação do mês de Jul (6,8%). Ao mesmo tem

po, o dólar no mercado paralelo subiu 4,5%, o equivalente a 1,05 austral, embora haja previsão de voltar a cair ao nível oficial de 0,97 austrais.

Os principais empresários manifestaram-se preocupados com os efeitos restritivos que as taxas altas de juros terão sobre os investimentos já extremamente deprimidos, causando assim uma grande evasão de capital para o exterior.

Um capítulo a parte há de ser a revisão das bases de negociação da dívida externa, em Set 86, quando a ARGENTINA reivindicar "compensações" aos seus credores internacionais, por sentir-se prejudicada pela queda dos preços do mercado internacional de grãos (que corresponde a 60% de sua pauta de exportações). A queixa se prende a concorrência desvantajosa provocada pelos ESTADOS UNIDOS DA AMÉRICA e Comunidade Econômica Européia, no bojo dos recentes contratos de vendas subsidiadas entre CHINA e UNIÃO SOVIÉTICA.

Finalmente, como complemento às medidas de reajuste, o Governo argentino pretende acelerar algumas reformas estruturais no país, como a privatização e redução do quadro de pessoal do Estado. Os primeiros reflexos dessa política já apresentaram alguns resultados satisfatórios, segundo declarações do próprio Ministro da Economia: o gasto público vem sendo drasticamente reduzido e o déficit fiscal desse mês deverá ser mais baixo que os indíces obtidos no primeiro semestre.

RAÚL ALFONSIN reconhece que o aperto monetário conduzirá o país a uma recessão a curto prazo, o que certamente provocará o enfrentamento de novos conflitos com os sindicatos tutelados pela CGT. Se, por acaso, for bem sucedido em manter a economia estabilizada, hão de crescer as chances de êxito do Partido Radical, num período pré-eleitoral, eis que, no próximo ano de 1987, começa a definir-se a sucessão presidencial, com eleições para governadores provinciais.

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OBS: Data da elaboração do documento: 27 AGO 86.

Embaixada Brasileira

INUR Nº 1249.3/22 DEZ 86

JUNTA DE COMANDANTES EN JEFE
SERVICIO DE INFORMACIÓN DE LAS FF AA
DEPARTAMENTO II (EXTERIOR)
Fecha de Entrada 9-2-87
Fecha de Salida 6-4-87
Pasa a Arch/Archivo
N. de Identificación 0264/87

Assunto: CUBA - Exercício militar.

No dia 7 Dez 86, considerado o Dia Nacional de Defesa, o Governo cubano iniciou, com duração de cinco dias, a operação militar chamada "Bastion 86".

Participaram da referida operação, segundo as fontes, cerca de sete milhões de cubanos (homens, mulheres e crianças), em uma população de dez milhões de habitantes. Junto das tropas profissionais e sua reserva, atuaram as milícias de Tropas Territoriais, o Corpo Popular, Brigadas de Produção e Defesa, além das Formações Combativas e Especiais. Como o exercício pretendia abranger todas as áreas da nação, também foram empregados os Organismos da Administração Central do Estado, as Organizações de Massas, os Comitês de Defesa da Revolução e outras instituições paramilitares ou não.

Para a realização da "Bastion 86", o território cubano foi dividido em zonas de defesa, mantendo-se os elementos básicos da estrutura estatal, e todas as forças empenhadas ficaram sob a direção única do Partido Comunista de CUBA (PCC).

No dia 02 Dez 86, HAVANA assistiu ao maior e mais sofisticado desfile militar de sua história. Agora, no dia 07, o Governo FIDEL CASTRO coloca em andamento a realização de um exercício militar, englobando tanto as Forças Armadas Revolucionárias, quanto a própria população.

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Data da elaboração do documento: 12 DEZ 86

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INUR Nº 1249.3/22 DEZ 86

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Data da elaboração do documento: 12 DEZ 86

Poco legible

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Exército Brasileiro

35/A

Visto SM

INUR Nº 0020.3/07 JAN 87

Assunto: TERRORISMO INTERNACIONAL - Expulsão de terrorista sikhs da VENEZUELA.

O Governo venezuelano deportou, em 7 Out 86, 39 cidadãos indianos, pertencentes à seita sikh, que entraram no país com vistos falsos.

O Chefe da Diretoria de Identificação e Assuntos Estrangeiros (DIEX) informou que os sikhs, procedentes de NOVA DÉLHI, estavam na VENEZUELA, aproximadamente, há duas semanas e foram detidos num hotel de CARACAS.

Conhecidos pela violência que empregam em sua luta separatista, suspeita-se que a razão da vinda de grupo sikh seria a criação de um centro terrorista em solo venezuelano, com o propósito de preparar uma série de ações, a fim de pressionar a opinião pública mundial em favor da autonomia do Estado de PUNJAB, na ÍNDIA.

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Data da elaboração do documento: 19 DEZ 86

JUNTA DE ... JEFE
SERVICIO ... FF AA
DE...
Fecha d... 9-2-87
Fecha de ... 6-4-87
Pasa a Jud/ archivo
Nº de identificación 0261/87

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Enlace brasileño

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JUNTA DE COMANDANTES EN JEFE
SERVICIO DE INFORMACIONES DE LAS FF AA
DEPARTAMENTO (EXTERIOR)
Fecha d entrada 8-2-87
Fecha de salida 6-4-87
Pasa a Dual/archivo
N. de identificación 0265/87

INUR Nº 1247.3/22 DEZ 86

Assunto: PERU - Nova política de preços.

O Governo do Presidente ALAN GARCIA comunicou a suspensão do congelamento de preços iniciado em Ago 85 e a passagem para um sistema de administração e controle.

O Ministro da Economia, LUIS ALVA CASTRO, anunciou quatro variedades de controles, que entrarão em vigor no próximo dia 15 Dez. Uns 200 produtos básicos, como arroz, açúcar, combustível, pão, leite e fertilizantes, estão sujeitos a uma fiscalização mais rigorosa e poderão sofrer aumentos três ou quatro vezes durante o próximo ano. O Governo também autorizará os produtores de manteiga, queijo, guloseimas, papel e pinturas a aumentar, automaticamente, os preços, a medida em que seus custos forem subindo, até um máximo de 6%, cada três meses. Seguirão supervisionados os custos das frutas, verduras e dos serviços, de forma que a lei da oferta e da procura prevaleça, mas sem aumentos injustificados. Enquanto que os preços de eletricidade, telefone, água e outros serviços públicos serão modificados de acordo com o que se denominou de "regimes especiais".

Ao mesmo tempo, o Banco Central peruano anunciou que a cotação oficial da moeda nacional, "inti", congelada em 1º Ago 85, se desvalorizará durante 1987, em 2,2% ao mês.

É possível que a nova política provoque um declínio da popularidade do Presidente peruano e de seu partido Aliança Popular Revolucionária Americana (APRA), conquistada em parte pela estabilidade de preços imposta anteriormente.

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Data da elaboração do documento: 12 DEZ 86

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Embaixada brasileira   VISTO SM

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INUR Nº 1211.3/15 DEZ 86

Assunto: BOLÍVIA - Pacto Andino.

O Presidente boliviano, VICTOR PAZ ESTENSSORO, convidará seus homólogos da COLÔMBIA, EQUADOR, PERU e VENEZUELA para se reunirem na BOLÍVIA, em Fev 87, na busca de um acordo de alto nível político, visando a revitalização do Pacto Andino.

O assunto foi discutido inicialmente, dias 19 e 20 Nov, em CARACAS/VENEZUELA, na reunião em que participaram os cinco Presidentes dos Congressos dos países que integram o Pacto Andino. Nessa reunião, os representantes chegaram a um consenso de que existe, atualmente, um estancamento do processo de integração sub-regional e que há necessidade de se procurar novos espaços econômicos para alcançar o desenvolvimento.

-- BOLÍVIA, COLÔMBIA, EQUADOR, PERU e VENEZUELA vêm trabalhando, desde 1984, na elaboração de propostas protocolares específicas ao Acordo de Cartagena, buscando introduzir substanciais modificações no esquema sub-regional de integração. Entretanto, até o momento, os resultados dessas negociações têm sido infrutíferos.

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Data da elaboração do documento: 28 NOV 86

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Embaixada brasileira

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INUR Nº 1246-3/22 DEZ 86

Assunto: CHILE. (Cruzar)

- **Renovação do Estado de Sítio**

O Governo chileno levantou o "Estado de Sítio" em oito das doze Regiões Administrativas do país e prorrogou-o na Região Metropolitana e nas outras quatro restantes, por mais trinta dias. Assim, as principais cidades do CHILE, como SANTIAGO, CONCEPCIÓN, VALPARAÍSO e ANTOFAGASTA continuam afetadas. Ainda, todo país continuará sob o "Estado de Emergência", em vigor desde 1973, por mais noventa dias.

O CHILE convive, também, com o "Estado de Perigo de Perturbação da Paz Interna" e com o "Toque de Recolher", que só é levantado nos fins de semana e em vésperas de feriados festivos.

Apoiando as medidas, SANTIAGO suspendeu a publicação cultural "Pluma e Pincel", as revistas "Cauce", "Análisis" e "Bicicleta" e o jornal "Fortin Mapocho", todos oposicionistas, enquanto revogou medida idêntica anteriormente imposta à revista "Apsi". Com relação à imprensa, ademais, o Governo exortou-a a abster-se de informar ou difundir opiniões sobre o terrorismo ou qualquer assunto que afete a ordem pública chilena.

Enquanto o Regime chileno reitera a disposição de cumprir o programa de transição democrática, segue determinado a combater a subversão, ainda que a custo de medidas impopulares, o que desfavorece o diálogo para a evolução institucional pacífica.

- **Declarações da FPMR sobre os arsenais clandestinos**

Em entrevista clandestina concedida à imprensa estrangeira, "PEDRO", o suposto chefe da operação de contrabando de armas desbaratada em Ago 86, na área de CARRIZAL BAJO, norte do CHILE, e um dos homens mais procurados pelas autoridades do país, declarou

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que, de fato, o armamento encontrado pertencia à "Frente Patriótica MANUEL RODRIGUEZ" (FPMR), embora o volume fosse muito menor do que aquele anunciado pelo Governo chileno.

Acompanhado dos "Comandantes" "JOSÉ MIGUEL" e "DANIEL", este o possível chefe da organização, "PEDRO" admitiu ter ordenado a construção de depósitos de armas e escolas de guerrilha no litoral norte chileno, com o fim de preparar a luta armada para à deposição do Presidente AUGUSTO PINOCHET. Segundo ele, falhas cometidas pela FPMR permitiram que as autoridades desmantelassem a operação, embora muitos homens tenham conseguido fugir por terra ou mar. Acrescentou, ainda, que nenhum país ou grupo estrangeiro teve participação na questão dos arsenais.

A FPMR concede freqüentes entrevistas deste tipo, com o fim de esclarecer temas de seu interesse. Entretanto, passados quatro meses da descoberta dos arsenais, o evento parece ter a intenção de chamar a atenção da opinião pública mundial sobre a organização, sobretudo após a proibição, pelo Regime chileno, de difusão de informação ou opinião sobre o terrorismo. Ainda, é claro o propósito de desmentir as versões oficiais, reforçando, assim, os argumentos de que SANTIAGO teria forjado a importância dos depósitos de armas para angariar simpatizantes à causa de PINOCHET e justificar medidas de segurança mais enérgicas.

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Data da eleboração do documento: 12 DEZ 86

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Cruzar C/IRAN   Enlace brasileiro

135/A

INUR Nº 1186.3/04 DEZ 86

ASSUNTO: IRÃ - Deserção na força aérea.

As Forças Armadas do IRÃ enfrentam um novo tipo de problema no conflito com o IRAQUE. Pilotos da Força Aérea iraniana desertaram e pousaram com seus aviões em território iraquiano. As aeronaves seriam um Dessault Mystère Falcon F-20, vinculado à Força Aérea, um Gruman F-14 AS Tomcat e dois McDonnel Douglas F-4 Phantom II, caça-bombardeiros.

No início do conflito, a Força Aérea persa contava com 448 aeronaves de combates e, atualmente, estima-se que possua cerca de 95 unidades. Neste contexto, a perda de quatro aviões de combate e da experimentada tripulação torna-se significativa.

Os casos de deserção poderiam indicar a fissura ou pelo menos o descontentamento no seio das Forças Armadas iranianas.

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- Archivar.

INUR Nº 752.3/21 JUL 87

MCI. Frentes Comunistas. Eventos na AMÉRICA LATINA.

As atividades das Organizações de Frentes Comunistas (OFC) na AMÉRICA LATINA estão em franco crescimento, não apenas no volume de ocorrências, mas sobretudo nos aspectos significativos dos eventos, decisões, público-alvo, bem como pelo que representam para a estratégia de MOSCOU na região. Com o claro interesse de manipular a opinião pública, várias OFC vêm-se aproveitando, sistematicamente, da redemocratização dos principais Estados latino-americanos para expandir sua área de influência.

No mês de Mai 87, foram realizados importantes encontros, com o objetivo de congregar lideranças sindicais, movimentos pacifistas e religiosos progressistas, com vistas a mobilizá-los a favor da causa comunista. Os êxitos alcançados nesse afã são notórios. Isso testemunha o cuidadoso planejamento com que a atual fase de atividades das OFC na AMÉRICA LATINA é conduzida. Como se sabe, o desempenho eleitoral dos Partidos Comunistas (PCs) latino-americanos, em quase sua totalidade, é pouco significativo. Através dos PCs, o marxismo não tem conseguido se aproximar do poder. As OFC apresentam-se, assim, como um poderoso veículo de propaganda do socialismo.

Dentre os eventos patrocinados pelas Organizações de Frente Comunistas (OFC) destacam-se: o Congresso Continental de Comitês Nacionais de Paz da América Latina e Caribe, realizado nos dias 21 a 23, na cidade de GUAYAQUIL-EQUADOR, e a Conferência Cristã pela Paz da AMÉRICA LATINA e CARIBE, que se realizou em HAVANA-CUBA, nos dias 25 a 29. Os dois eventos estão insertos no contexto da nova estratégia do Comunismo Internacional para a região, com o objetivo de atrair religiosos progressistas comprometidos com a Teologia da Libertação e com os movimentos pacifistas e ecológico.

O Congresso de GUAYAQUIL, patrocinado pelo Conselho Mundial da Paz (CMP), a maior e mais importante das frentes comunistas, teve como finalidade principal discutir, sob a égi-

de da Paz Mundial, as ações a serem desenvolvidas por diversos segmentos sociais da área, com o fito de mobilizar a opinião pública regional a favor de teses favoráveis à política externa da URSS. Assim, foi montado um esquema especial para reunir todas as principais frentes comunistas regionais, além de algumas de nível internacional.

O CMP convidou para o evento delegações de todas as frentes regionais, tais como a Federação Latino-Americana de Jornalistas (FELAJ), Congresso Permanente de Unidade Sindical dos Trabalhadores da América Latina (CPUSTAL), Organização Latino-Americana de Estudantes (OCLAE), Organização de Militares da América Latina e Caribe (OMALC), Organização de Solidariedade com os Povos da ÁSIA, ÁFRICA e AMÉRICA LATINA (OSPAAAL) e o Tribunal Antiimperialista de Nossa América (TANA). Além disso, estiveram presentes representantes de entidades nacionais de todos os países da AMÉRICA LATINA e CARIBE, incluindo as colônias, excete as MALVINAS. Foram convidadas também algumas conhecidas personalidades da região, amiúde comprometidas com o Comunismo Internacional ou que, por sua posição social, podiam emprestar maior destaque ao Congresso. Receberam convites do CMP: LUIS ECHEVERRIA, ex-Presidente do MÉXICO; ALDO TESSIO, assessor do Presidente da ARGENTINA; LIBER SEREGNI, candidato à Presidência do URUGUAI nas últimas eleições; EMMA TORRES, viúva do ex-Presidente JUAN JOSÉ TORRES, da BOLÍVIA; HORTENSIA BUSSI DE ALLENDE, viúva de SALVADOR ALLENDE; EDUARDO AREVALO BURGOS, parlamentar colombiano; CAMILO PÉREZ, magistrado da Suprema Corte panamenha; ORLANDO FUNDORA, membro do Governo e do PC cubano; e GUILLERMO TORIELLO, ex-Ministro de Relações Exteriores da GUATEMALA.

A pauta de assuntos do Congresso de GUAYAQUIL incluiu as atuais propostas soviéticas de redução de armas nucleares e desarmamento; defesa da AMÉRICA LATINA como zona livre de armas nucleares; condenação do programa de defesa espacial dos EUA; defesa dos direitos humanos nos países do Ocidente; reafirmação da proposta de FIDEL CASTRO do não-pagamento da dívida externa dos países do Terceiro Mundo; e apoio à consolidação da Revolução Sandinista e aos Movimentos Revolucionários em atividade.

Quanto a "Confederação Cristã pela Paz da América Latina e Caribe", cumpre esclarecer que se realizou no contexto da estratégia do Comunismo Internacional de aproximação com religiosos - católicos e protestantes - de índole progressista. Patrocinado pela "Conferência Cristã pela Paz (CCP)", Frente Comunista criada por MOSCOU e com sede em PRAGA-TCHECOSLOVÁQUIA, o evento teve lugar em CUBA para atender o grande projeto de FIDEL CASTRO, que é melhorar a imagem do regime cubano, deixando a anterior postura atéia, que criou óbices para a exportação da Revolução no continente. Há alguns anos, CASTRO entendeu que os êxitos da Revolução Sandinista, que recebeu o apoio dos intelectuais cristãos de esquerda, têm ligações com o caráter religioso do povo nicaragüense. Assim, o chamado "socialismo cristão", que favoreceu o atual regime da NICARÁGUA, parece ser a nova "bandeira" que o dirigente cubano pretende defender para a AMÉRICA LATINA, continente que conta com uma situação sócio-econômica bastante favorável para a exploração marxista, mas que sempre resistiu aos temas materialistas do comunismo por causa da índole religiosa dos seus povos.

O evento da CCP em HAVANA recebeu cerca de 400 padres católicos e teólogos, inclusive protestantes. O tema central do encontro foi a Teologia da Libertação como instrumento de "libertação completa" dos povos latino-americanos. A paz, sob essa óptica, só será possível quando a AMÉRICA LATINA for livre do "imperialismo" explorador (o capitalismo liderado pelos EUA).

Ainda em maio, nos dias 18 a 21, em dependências da Universidade de CAMPINAS-SP, realizou-se a "Conferência Sindical Latino-Americana e Caribenha sobre a Dívida Externa". O evento, que reuniu 48 representantes de 56 centrais sindicais, de 25 países, contou com a presença de delegados de duas Frentes Comunistas: MÁRIO NAVARRO, da "Federação Sindical Mundial (FSM)", principal OFC da área sindical, e ROBERTO PRIETO, do "Congresso Permanente de Unidade Sindical dos Trabalhadores da América Latina (CPUSTAL)".

Essa Conferência Sindical também faz parte do plano de MOSCOU de aumentar as atividades das Frentes Comunistas na AMÉRICA LATINA. O interesse do Comunismo Internacional pelos trabalhadores latino-americanos está vinculado ao grande potencial para exploração ideológica que a categoria apresenta.

Assim, a partir de Jul 85, quando se realizou a "Conferência Sindical de HAVANA", vêm sendo envidado esforços para uma atuação permanente na área trabalhista e conscientizar os trabalhadores sobre a origem das dificuldades e o meio para superá-las. Para desenvolver essa estratégia, foram promovidos encontros sindicais em CUERNAVACA-MÉXICO (Abr 86), BUENOS AIRES-ARGENTINA (Set e Dez 86).

A "Conferência Sindical de HAVANA" teve o condão de projetar o Presidente FIDEL CASTRO à pretensa posição de líder latino-americano, defensor da moratória unilateral e do rompimento dos países da região com os organismos financeiros internacionais. O tema basilar de todos os encontros e da Conferência de CAMPINAS é o mesmo: a luta pela unidade dos trabalhadores "contra a sangria e a exploração econômica dos países latino-americanos e caribenhos". Aí estariam a origem dos problemas dos trabalhadores - a dívida externa - e sua solução - o rompimento definitivo com o Sistema Financeiro Internacional. Para dar prosseguimento à campanha em prol dessas "bandeiras", foi marcado o "Dia Latino-Americano e Caribenho contra a Dívida Externa" (23 Out).

Não resta dúvida que o Comunismo Internacional está obtendo êxitos em suas investidas na área sindical da AMÉRICA LATINA, em particular nos principais países. A crescente filiação de centrais sindicais às OFC, a promoção de cursos no Exterior, o financiamento de eventos de interesse de MOSCOU e a criação de representação permanente de Frentes Comunistas em vários países, todos esses fatos comprovam que a URSS está privilegiando a AMÉRICA LATINA num contexto novo. A nova estratégia seria evitar a exacerbação da subversão no âmbito da violência política e atuar o máximo no campo psicológico.

Portanto, os eventos patrocinados na AMÉRICA LATINA pelas duas maiores Frentes Comunistas - "o Conselho Mundial da Paz (CMP)" e a "Federação Sindical Mundial (FSM)", demonstram a importância que a região está a merecer na atual fase do expansionismo soviético. O interesse de atuar mais diretamente na área religiosa também é um fato, demonstrado pelas mudanças que se processam em CUBA, cujo Governo está preocupado com a maior aproximação aos expoentes regionais da Teologia da Libertação. Nesse contexto, pode-se melhor compreender a reunião realizada em HAVANA pela "Conferência Cristã pela Paz (CCP)".

Data da elaboração do documento: 01 JUL 87

Enlace brasileiro

INUR Nº 949.3/03 SET 87

SURINAME. Atualização do quadro político-partidário e possíveis conseqüências na evolução da crise surinamesa

135/A

A oficialização no dia 2 Ago, em PARAMARIBO, de uma coligação dos três tradicionais partidos surinameses, chamada "Frente Democrática Progressista (FDP)" ou "Frente para a Democracia e Desenvolvimento", trouxe para o quadro político-partidário uma nova configuração.

O surgimento da Frente, aglutinando o Partido Nacional do Suriname (NPS), de HENK ARRON, o Partido Reformista Unido (VHP), de JAGGERNATH LACHMON, e o Partido dos Fazendeiros Javaneses (KTPI), de WILLY SOEMITA, antes considerada difícil de ser consumada, é agora uma nova variável no contexto pré-eleitoral surinamês.

Na ocasião do lançamento dessa agremiação política, o tom dos discursos caracterizou a postura oposicionista da coligação e a ampla participação popular evidenciou a impopularidade do Governo e, ao mesmo tempo, o apoio àquela formação tripartite.

De imediato, os Comandantes das Forças Militares enviaram uma "petição" ao Comandante DESIRÉ BOUTERSE, demonstrando suas preocupações com a "radicalização" do processo. No documento, os signatários queixaram-se das críticas levantadas pelos líderes políticos contra a Revolução e os militares quando do comício de inauguração da FDP. Protestaram, também, contra o neocolonialismo pregado pelos líderes dos partidos tradicionais e reivindicaram a cessação da interação entre militares e partidos políticos representados no TOPBERAAD (Conselho Supremo), alegando que ARRON, LACHMON e SOEMITA romperam o acordo firmado anteriormente e que foi um dos pontos que contribuíram para o início do "diálogo político" naquele órgão superior. Na verdade, os militares manifestaram sua preocupação com a força demonstrada pela coligação, numa clara caracterização da classe de que não aceita ser alijada do poder ou submetida ao poder civil.

Em resposta à "petição", BOUTERSE decidiu-se por deixar o TOPBERAAD, o que pode ser interpretado como uma manobra

política de esvaziamento e preservação do Conselho, sem deixar de atender aos companheiros de armas, mas sobretudo mantendo intocável sua posição de liderança e poder pessoal, eis que continuam em suas mãos o "National Legger" (FA) e o Movimento 25 de Fevereiro.

Em meio a especulações de radicalização do processo por um lado, e de comedimento por outro, os líderes do NPS, VHP e KTPI assinaram com o Comandante BOUTERSE, no dia 10 Ago passado, o chamado "Acordo de LEONSBERG" no sentido de garantir o prosseguimento do processo político-institucional no país.

Antes da realização das eleições em 25 Nov 87, destinadas à escolha da nova Assembléia Nacional, que por sua vez indicará, em Mar 88, o Presidente da República, é necessário que se realize em Set próximo o "referendum" do projeto da nova Constituição do SURINAME. A maioria dos partidos apóia o texto da Carta Magna. Um grupo de pessoas influentes no país, que se opõe radicalmente a BOUTERSE, se movimenta para não aprovar o novo texto constitucional. Tal objetivo, se alcançado, criará um impasse político de conseqüências imprevisíveis e poderá significar o retrocesso total.

Assim, mesmo antes do "referendum", o quadro político-partidário evoluiu em clima pré-eleitoral. A campanha antes polarizada pelo oficialista Partido Democrático Nacional (NDP), de BOUTERSE, pelo Partido Surinamês do Trabalho (SPA), do líder socialista FRED DERBY e pela União Progressista dos Trabalhadores e Fazendeiros (PALU), de IWAN KROLIS, tem agora na Frente Democrática Progressista uma de suas forças principais. É possível que os principais partidos venham a ficar distribuídos em três blocos que disputarão as eleições em 25 Nov. O primeiro deverá ser composto pelo NPD, partido dos líderes atuais. O segundo, em torno da Frente dos partidos tradicionais e o terceiro bloco deverá ser formado pelo PALU e o SPA, duas agremiações políticas progressistas.

O NPD, que congrega membros do Movimento 25 de Fevereiro (Mov 25 Fev), intelectuais e personalidades influentes do comércio e da indústria do país, sob a liderança de BOUTERSE

e do Premier JULES WIJDENBOSCH, é um dos partidos mais bem organizados. Além disso, o partido aposta que, na disputa da Presidência da República, nenhum dos candidatos dos partidos representados na Assembléia obterá a maioria de dois terços requerida pela legislação. Nesse caso, haverá um segundo turno (eleições na Assembléia com participação de delegados dos Distritos), cujo requisito é o da maioria simples. O NDP teria aí boas chances, pois dispõe de muito maior penetração no interior do que os partidos tradicionais que durante sete anos se viram privados de efetuar propaganda no país, ao contrário do Mov 25 Fev, beneficiado também pela maior disponibilidade de recursos.

Mesmo assim, a "Frente" parece colocar sérios entraves no caminho do partido governista que vê suas chances de vitória seriamente ameaçadas pela coligação dos partidos tradicionais. Alguns observadores ousam afirmar que a realidade hoje no país é a de que são quase nulas as chances de derrota da FDP, o que de certa forma surpreendeu os governistas. Outros dizem que a impressão reinante em PARAMARIBO é de que o NDP logrará a vitória.

Algumas variáveis, entretanto, prevalecem no cenário sócio-político, atuam em sentidos contrários e podem fazer pender a preferência do eleitorado, para este ou aquele partido: a plataforma "neocolonialista" pregada pela Frente, que tende a recompor o modelo político, concebido de fora, e que presidiu a emancipação do país; a impopularidade de BOUTERSE; e o tradicional alto índice de eleitores indecisos (30%), ainda não permitiriam fazer-se projeções antecipadas.

O bloco progressista deverá ter o PALU na liderança. Além de mostrar-se mais ativo na propaganda, agora por todo do país, o partido já esteve no poder em 1982/83. Goza de boa coesão partidária, do que se ressente o SPA, partido neófito, que congrega correntes e interesses diversos dos sindicatos.

A União (ou PALU) acredita que a instabilidade no país pode ter aumentado consideravelmente a faixa dos indecisos. Além de contar com isso a seu favor, procura minar as bases de sustentação do NPD, ao mesmo tempo que acusa os partidos tradicionais de causadores da crise que dura até hoje.

CONCLUSÃO

As projeções já elaboradas sobre a crise surinamesa permanecem válidas, com probabilidade de ocorrência, conforme os fatos recentes, da "**transição para um regime democrático**". Porém, o surgimento da nova força eleitoral — a FDP — permite o levantamento de hipóteses quanto às possibilidades de vitória nas eleições de 25 Nov:

1ª hipótese — o NDP será vitorioso;

2ª hipótese — a FDP será a vencedora, mantendo, entretanto, uma composição com os militares no poder; e

3ª hipótese — a FDP será vitoriosa, alijando os militares completamente do poder.

Na primeira hipótese, haveria a permanência do "status quo", podendo ser interpretada como a de uma fase de transição para a democracia plena, onde o poder militar revolucionário seria fortalecido e legitimado pelas eleições.

Na segunda hipótese, ficaria claramente estabelecida a convivência de um governo civil escolhido pela oposição, com os militares a compartilhar do poder. Tal situação melhor configuraria o exercício da democracia no país, mesmo que com todos os óbices implícitos. BOUTERSE continuaria a ser o foco, uma espécie de "**árbitro**" do poder.

Na terceira hipótese, a menos provável dentre todas, haveria clima propício para o desenvolvimento de um novo golpe militar que viria a lançar o país em uma situação de conseqüências imprevisíveis.

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Data da elaboração do documento: 21 AGO 87

Pedido para Cnel LEIBIT contestación de AVELLAR a solicitud que hizo el Cnel Pérez

Enlace brasilera

MINISTERIO DE DEFENSA NACIONAL
Dirección General de Información de Estado
Fecha de Entrada 13.10.87
Fecha de Salida
Pasa a
Nº. de Identificación 1647/87

INUR Nº 604.3/10 JUN 87

origen C/GERENTES (SINDICAL)

ASSUNTO : CONFERÊNCIA SINDICAL LATINO-AMERICANA E CARIBENHA

REFERÊNCIA: Pedido de 21 MAI 87.

Realizou-se no período compreendido entre 18 e 21 de maio de 1987, na UNIVERSIDADE DE CAMPINAS (UNICAMP) - CAMPINAS / SÃO PAULO a Conferência Sindical Latino-Americana e Caribenha sobre a Dívida Externa, com a presença de 57 entidades de 24 países e com 127 participantes que terminou com a aprovação de uma resolução que se pronuncia contra o pagamento da dívida e compromete seus esforços para que esse objetivo seja assumido soberanamente pelos povos para encontrar os caminhos para a sua concretização.

O documento prossegue afirmando que a ação dos trabalhadores e dos povos baseada na unidade constitui a legítima resposta que deve cortar pela raiz os vorazes apetites imperialistas e exige a solidariedade dos trabalhadores dos próprios países desenvolvidos, assim como a unidade de todos os povos do Terceiro Mundo.

Depois de dizer que o movimento sindical ocupa um lugar destacado na resistência diante das vacilações e submissões das classes dominantes nativas, propõe a busca de mecanismos de cooperação e unidade com outras organizações sociais, partidos e movimentos políticos e setores da igreja "para que unidos possamos enfrentar e conseguir mudar esta situação insuportável".

Propostas aprovadas pelo Plenário:

1. Realizar uma campanha permanente contra o pagamento da dívida externa na América Latina e Caribe.

2. Realizar uma jornada continental de luta contra o pagamento da dívida externa, no período de 11 a 17 de outubro , sendo o dia 15, Dia Continental Contra o Pagamento da Dívida, com atos, manifestações, debates e greves, envolvendo o conjunto do povo nesta luta.

3. Apoiar e desenvolver a solidariedade concreta a todas as iniciativas nacionais e internacionais contra o pagamento da dívida externa.

4. Propor e preparar o ano de 1988 como o Ano Internacional de Luta Contra o Pagamento da Dívida Externa.

5. Realizar, em 1988, uma nova Conferência Internacional sobre a dívida externa.

6. Apresentar e defender as resoluções desta Conferência na 73ª Conferência Internacional do Trabalho da OIT, que está se realizando de 1º a 24 de junho de 1987.

7. Constituir uma comissão transitória para coordenar as ações aqui aprovadas e a campanha latino-americana e caribenha contra o pagamento da dívida externa até a Conferência de 1988.

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VA EN: ENLACE BRASILEIRO CRUZADO COM IGREJAS ...

MINIST... DE ...
Data de Entrada 13-10-87
Data de Saída 10.11.87
... 1636/87
Nº de identificação

01/02

INUR Nº 306.3/26 MAR 87

Assunto: CELAM. 21ª Assembléia Geral no PARAGUAI

O Conselho Episcopal Latino-Americano (CELAM), órgão máximo da Igreja Católica na região, está realizando, no período de 11 a 14 Mar 87, a sua 21ª Assembléia Geral. Promovido a cada dois anos, o evento contou com a presença de 70 dignitários, entre Cardeais, Arcebispos e Bispos, de 22 países do continente em IPACARAI-PARAGUAI, e tendo como convidado especial o Cardeal af.icano BERNARDIN GANTIN, Prefeito da Congregação dos Bispos, da SANTA SÉ. A Assembléia transcorre num momento oportuno, no contexto da Igreja latino-americana e do País em que é realizada.

A AMÉRICA LATINA concentra um dos maiores contingentes de católicos romanos do mundo e vive momentos cruciais, nos campos político, social, econômico e ideológico. O papel do catolicismo tem sido o mais destacado possível, porque a Igreja é, ao lado das FFAA, uma das mais fortes e influentes instituições do continente. Consciente do seu papel e dos problemas internos que enfrenta, em particular a ameaça de um cisma entre progressistas e conservadores, a Igreja Católica vem procurando contornar suas dificuldades através do diálogo entre os segmentos em discórdia. No eixo da crise, permanece a Teologia da Libertação, com os desdobramentos pastorais e ideológicos que enseja. Toda tentativa de preservar a integridade da Igreja, como instituição, passa, necessariamente, pelo CELAM.

A atual Assembléia põe em evidência as preocupações do principal Órgão da Cúpula eclesiástica regional. O temário do encontro destaca a situação interna de todos os Países latino-americanos, sob os aspectos políticos e sócio-econômicos. Além disso, a Assembléia elegerá a diretoria do Conselho, integrada por um Presidnete, dois Vice-Presidentes e um Secretário Geral, bem como os Titulares dos Departamentos e Sessões da entidade. Precisamente nessas eleições ocorrem os maiores enfrentamentos entre progressistas e conservadores, pois a ala que conseguir dirigir o CELAM influenciará o comportamento da Igreja, como um todo, durante os próximos dois anos.

Embora os problemas estruturais existentes no catolicismo regional tenham surgido com respaldo da II e III Conferências Gerais do CELAM, realizadas em MEDELLÍN-COLÔMBIA e PUEBLA DE LOS ÁNGELES-MÉXICO, desde 1979, com o Pontificado de JOÃO PAULO II, o CELAM tem-se inclinado para uma postura mais conservadora, apesar de condescender com certos aspectos das propostas progressistas, com o fito de cercear o cisma. Na verdade, essa composição é resultado da orientação do Sumo Pontífice, cuja preocupação maior, até agora, tem sido identificada com os rumos que a Igreja da AMÉRICA LATINA tem tomado, desde o Concílio Vaticano II. Prova disso são as constantes visitas que vem empreendendo à região — como as que fará à ARGENTINA, CHILE e URUGUAI, a partir do final de Mar 87 —, ocasião em que procura sublinhar a doutrina ortodoxa da Igreja e criticar, às vezes com acrimônia, os desvios teológicos consubstanciados na Teologia da Libertação, máxime seus aspectos marxistas.

A realização da Assembléia Geral no PARAGUAI, por outro lado, alberga outro objetivo, que não o de simplesmente privilegiar esse País com a realização de um importante evento do CELAM. Na verdade, a Igreja Católica pretende, com respaldo do VATICANO, à semelhança do que ocorreu nas FILIPINAS e no HAITI, apoiar qualquer iniciativa de mudanças políticas na Nação guarani. Comprovam isso as constantes críticas do Arcebispo de ASSUNÇÃO, Dom ISMAEL ROLÓN, ao Governo do General STROESSNER, e o fato de o Arcebispo, membro constitucional do Conselho de Estado, ter-se recusado a participar nas reuniões do órgão. Na prática, o envolvimento da religião com o Poder político vinha denegrindo a imagem do catolicismo, porque estava a respaldar o prolongamento da ditadura. O CELAM, com o evento no PARAGUAI, está prestigiando o Clero desse País, estimulando-o a ações mais corajosas. Essa ação do Episcopado regional conta com a unanimidade dos integrantes da cúpula católica latino-americana, independentemente de postura ideológica.

Portanto, mais uma vez, a Assembléia do CELAM deixa transparecer a preocupação da Igreja Católica em assegurar sua presença na vida da AMÉRICA LATINA, em vários contextos.

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Data da elaboração do documento: 18 MAR 87

UA EN. ENLACE BRASILEÑO CRUZADO CON — CONF. CRISTIANA POR LA PAZ

01/02

MINISTERIO DE DEFENSA NACIONAL
Fecha de Entrada 13.10.87
Fecha de Salida 10.11.87
Pasa Dpto/Archivo
Nº. de Identificación 1635/87

INUR Nº 305.3/26 MAR 87

JUVENTUDE OPERÁRIA CATÓLICA - Reaparecimento na América Latina. Desdobramentos.

Está ressurgindo na AMÉRICA LATINA a antiga organização radical de esquerda chamada Juventude Operária Católica (JOC). Esta entidade ficou conhecida por sua participação nos movimentos insurreicionais que ocorreram em vários países latino-americanos, na década de 1960. O seu reaparecimento, por isso, abre perspectivas preocupantes, considerando-se o atual quadro político da região.

De fato, na ARGENTINA, a Igreja Católica vem manifestando sua apreensão com o aparecimento de núcleos de orientação comunista, que operam com o nome da JOC, em diversos bairros marginais e nas fábricas. Nesse País, a tendência classista do movimento chegou, anteriormente, a influir no comportamento sindical. O retorno às atividades, com a pregação da luta de classes e da violência, demonstra que haverá desdobramentos nessa nova fase de atuação da entidade.

Na VENEZUELA, a JOC vem aumentando suas atividades, com a realização periódica de congressos e um exaustivo trabalho de conscientização das massas operárias. Publicações e panfletos são distribuídos em grande volume. Igualmente, no MÉXICO, existe uma central de divulgação das teses da JOC, a qual envia publicações contendo instruções sobre como organizar o movimento nos demais países da região.

Entretanto, o BRASIL é o País que oferece melhores condições para as atividades a serem desenvolvidas pela JOC. Através das Comunidades Eclesiais de Base (CEBs), das Comunidades Universitárias de Base (CUBs), da Ação Católica Operária (ACO) e de grupos de jovens da Igreja Católica vem sendo realizado um trabalho de recrutamento, que se apresenta com possiblidades de, a médio prazo, aglutinar um número significativo de trabalhadores, em vários Estados.

A JOC é mantida pelas contribuições dos seus militantes, mas recebe doações de conhecidas organizações estrangeiras, como a "MISEREOR" (ALEMANHA FEDERAL), "Entraide et Fraterni-

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té" e "Broederlijk Delen" (BÉLGICA) e Organização Católica para Co-Financiamento de Programas de Desenvolvimento — CEBEMO (HOLANDA). Causa espécie, ainda mais, o fato de a JOC, professamente cristã, ser dirigida, nos países onde atua, por elementos que militam em partidos políticos da esquerda radical. No BRASIL, a entidade recebe a orientação do Partido Comunista do BRASIL (PC do B), Partido dos Trabalhadores (PT) e da organização trotskista Alicerce da Juventude Socialista (AJS).

Conclusão

- O resurgimento da Juventude Operária Católica, pelos seus precedentes históricos, poderá agravar o quadro de preocupações dos países latino-americanos.

- O financiamento externo das atividades da JOC é uma evidência de que organizações filantrópicas estrangeiras ou desconhecem os verdadeiros objetivos dessa entidade, ou estão a apoiá-la com finalidades discutíveis.

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Data da elaboração do documento: 18 MAR 87

VA EN.: ENLACE BRASILERO
CRUZADO CON
— TEOLOGIA DE LA LIB
— Y CON CONF. CRISTIANA POR LA PAZ

INUR Nº 239.3/12 MAR 87

1357/87

TEOLOGIA DA LIBERTAÇÃO. Segunda Assembléia da AETTM

Foi realizada, dias 8 a 14 Dez 86, na CIDADE DO MÉXICO, a Segunda Assembléia Geral da ASSOCIAÇÃO ECUMÊNICA DE TEÓLOGOS DO TERCEIRO MUNDO (AETTM). Participaram do evento 70 teólogos, representando a AMÉRICA LATINA, ÁFRICA e ÁSIA, entre os quais LEONARDO BOFF e CARLOS ALBERTO LIBÂNIO DE CHRISTO (Frei BETTO), brasileiros; GUSTAVO GUTIÉRREZ, peruano; JOSÉ MÍGUEZ BONINO, argentino; ALLAN BOESAK e FRANK CHICANE, sul-africanos; BINMENYI KWESHI, camaronês; MAY JOHN MANAZAN, filipina; JOSÉ ARGUELLO, nicaragüense; e o Padre mexicano MIGUEL CONCHA, um dos organizadores do encontro.

Na oportunidade, foi reiterada a opinião de que a Igreja Católica deve ter um relacionamento maior com os movimentos populares latino-americanos. Os ideais da democracia, justiça social, igualdade e fraternidade foram abordados como valores identificados com os partícipes da Assembléia. Os presentes discutiram os diferentes enfoques da Teologia da Libertação (TL), abordando as coincidências e divergências de todos no contexto da política, da economia e do plano social.

O encontro teve um começo tenso, porque jovens católicos conservadores mexicanos interromperam a sessão inaugural, com gritos de frases como: "JOÃO PAULO Segundo/te quer todo o mundo", "MÉXICO católico" e "Viva a Virgem de GUADALUPE". Na ocasião, Frei BETTO usava da palavra e dizia "somos todos discípulos de um Prisioneiro Político, pois sabemos que Jesus não morreu de doença. Se a Teologia não é libertadora, é o ópio dos povos e o ócio da burguesia". No final de sua prédica, foi muito aplaudido, principalmente quando disse: "Não podemos amar a um Deus capitalista e opressor".

Mereceram destaque também, no encontro, o Frei BOFF e Padre GUTIÉRREZ. Este último, comentou que "na AMÉRICA LATINA existe um sistema social injusto que fabrica miséria e nossa fé buscou a opção preferencial pelos pobres e por isso não nos tirarão a Teologia da Libertação". Segundo o mesmo teólogo, "se

eu tenho fome, é um problema pessoal; se alguém mais tem fome, é um problema espiritual". E concluiu: "Desgraçadamente, na AMÉRICA LATINA temos milhões e milhões de problemas espirituais". GUTIÉRREZ foi bem claro ao defender "a libertação integral do homem" como um dever histórico dos cristãos, sendo hoje o maior desafio dos que lutam pela vida.

O evento, naturalmente, também serviu para comprovar que entre os defensores da TL existem diferenças de perspectivas e que a busca de uma linha comum de ação ainda enfrentará alguns percalços. Mas, essas pendências estão ligadas mais aos aspectos regionais da atuação eclesiástica - pois estavam reunidos elementos oriundos da ÁSIA e ÁFRICA, além dos latino-americanos. Entre estes últimos, aliás, praticamente há uma unanimidade em torno da necessidade de a ação teológico-libertadora ser mais forte e abrangente, sem temor de represálias.

Conclusão.

- Os teólogos da Libertação latino-americanos pretendem unificar o movimento, a nível internacional, deixando bem claro que sua ação está voltada para os problemas do Terceiro Mundo.

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Data da elaboração do documento: 04 MAR 87.

MEMO VA EN: ENLACE BRASILEÑO
CRUZADO CON CMP Y CON CONF. CRISTIANA POR LA PAZ

INUR Nº 612.3/16 JUN 87

Frentes Comunistas - Novas investidas Pacifistas na América Latina.

O final do mês de maio assinala a realização de dois importantes eventos patrocinados pelas Organizações de Frente Comunistas (OFC), a saber: o Congresso Continental de Comitês Nacionais de Paz da América Latina e Caribe, realizado nos dias 21 a 23, na cidade de GUAYAQUIL - EQUADOR, e a Conferência Cristã pela Paz da América Latina e Caribe, que se realiza em HAVANA-CUBA, nos dias 25 a 29. Os dois eventos estão insertos no contexto da nova estratégia do Comunismo Internacional para a região, com o objetivo de atrair religiosos progressistas comprometidos com a Teologia da Libertação e com os movimentos pacifista e ecológico.

O Congresso de GUAYAQUIL, patrocinado pelo Conselho Mundial da Paz (CMP), a maior e mais importante das Frentes Comunistas, teve como finalidade principal discutir, sob a égide da Paz Mundial, as ações a serem desenvolvidas por diversos segmentos sociais da área, com o fito de mobilizar a opinião pública regional a favor de teses favoráveis à política externa da URSS. Assim, foi montado um esquema especial para reunir todas as principais OFC regionais, além de algumas de nível internacional.

Destarte, o CMP convidou para o evento delegações de todas as frentes regionais, tais como a Federação Latino-Americana de Jornalistas (FELAJ), Congresso Permanente de Unidade Sindical dos Trabalhadores da América Latina (CPUSTAL), Organização Latino-Americana de Estudantes (OCLAE), Organização de Militares da América Latina e Caribe (OMALC), Organização de Solidariedade com os Povos da Ásia, África e América Latina (OSPAAAL) e o Tribunal Antiimperialista de Nossa América (TANA). Além disso, foram convidados representantes de entidades nacionais de todos os países da América Latina e Caribe, incluindo as colônias, exceto as MALVINAS. Foram convidados algumas conhecidas personalidades da região, amiúde comprometidas com o comu

nismo Internacional ou que, por sua posição social, podiam emprestar maior destaque ao Congresso. Receberam convites do CMP: LUIS ECHEVERRIA, ex-Presidente do MÉXICO; ALDO TESSIO, assessor do Presidente da ARGENTINA; LIBER SEREGNI, condidato à Presidência do URUGUAI nas últimas eleições; EMMA TORRES, viúva do ex-Presidente JUAN JOSÉ TORRES, da BOLÍVIA; HORTENSIA BUSSI DE ALLENDE, viúva de SALVADOR ALLENDE; EDUCARDO AREVALO BURGOS, parlamentar colombiano; CAMILO PÉREZ, magistrado da Suprema Corte panamenha; ORLANDO FUNDORA, membro do Governo e do PC cubano; e GUILLERMO TORIELLO, ex-Ministro de Relações Exteriores da GUATEMALA.

A pauta de assuntos do Congresso de GUAYAQUIL incluiu as atuais propostas soviéticas de redução de armas nucleares e desarmamento; criação de zonas livres de armas nucleares (que é a proposta para a América Latina); condenação do programa de defesa espacial dos EUA; defesa dos direitos humanos nos países do Ocidente; reafirmação da proposta de FIDEL CASTRO de não-pagamento da dívida externa dos países do Terceiro Mundo; e apoio à consolidação da Revolução Sandinista e dos Movimentos Revolucionários em atividade.

Quanto à Conferência Cristã pela Paz da América Latina e Caribe, cumpre esclarecer que se realiza no contexto de uma bem planejada estratégia do Comunismo Internacional, com vistas a uma maior aproximação com religiosos - católicos e protestantes - de índole progressista. Patrocinado pela Conferência Cristã pela Paz (CCP), Frente Comunista criada por MOSCOU e com sede em PRAGA-THECOSLOVÁQUIA, o evento se realiza em CUBA para atender o grande projeto de FIDEL CASTRO, que é melhorar a imagem do regime cubano, deixando a anterior postura atéia, que criou óbices para a exportação da Revolução no continente. Há alguns anos, CASTRO entendeu que os êxitos da Revolução Sandinista, que recebeu o apoio de intelectuais cristãos de esquerda, têm ligações com o caráter religioso do povo nicaragüense. Assim, o chamado "socialismo cristão", que favoreceu o atual regime da NICARÁGUA, parece ser a nova "bandeira" que o dirigente cubano pretende defender para a AMÉRICA LATINA, um continente que conta com uma situação sócio-econômica bastante favorável para a

exploração psicológica do ponto de vista da pregação marxista, mas que sempre resistiu aos temas materialistas do comunismo por causa da índole religiosa dos seus povos.

O evento da CCP em HAVANA espera receber 400 padres católicos e teólogos, inclusive protestantes. O tema central do encontro será a Teologia da Libertação como instrumento de "libertação completa" dos povos latino-americanos. A Paz, sob essa óptica, só será possível quando a AMÉRICA LATINA for livre do imperialismo explorador (o capitalismo liderado pelos EUA).

Atualmente, a AMÉRICA LATINA assumiu um papel de suma importância para o Comunismo Internacional e, de modo particular, para o expansionismo soviético na área. Não pretendendo criar óbices para a consolidação dos regimes democráticos recentemente instalados, a URSS vem aumentando as atividades das Organizações de Frente Comunistas (OFC), deixando a ação dos Partidos Comunistas no âmbito da política, sem exacerbações ideológicas. Comprova o fato de os soviéticos estarem valorizando a região para uma nova fase de suas ações expansionistas a nomeação de ANATOLY FEDOROVICH DOBRYNIN, ex-Embaixador da URSS em WASHINGTON e profundo conhecedor dos problemas latino-americanos, para o importante cargo de Diretor do Departamento Internacional do Partido Comunista da União Soviética (DI/PCUS). Na prática, o DI/PCUS controla as atividades dos PCs e das OFC. Assim, é de todo possível que a atuação das Frentes Comunistas aumente e que o MCI promova uma nova etapa de ações subversivas na AMÉRICA LATINA, com maiores possibilidades de êxito porquê contará com um aliado até recentemente improvável - a ala progressista da cristandade latino-americana.

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Data da elaboração do documento: 27 MAI 87

VA EN EULA DE BRASILEÑO
CRUZADO CON TERRORISMO
Y CON OSPAA

INUR Nº 673.3/01 JUL 87

Terrorismo Internacional na região do Mediterrâneo.

Após a onda de atentados a bomba em PARIS, o seqüestro de um avião em CARACHI e o ataque suicida contra uma sinagoga em ISTAMBUL, ocorrências registradas em 1986, houve um arrefecimento gradativo de ações terroristas dessa natureza na região mediterrânea. Por outro lado, aumentaram as atividades extremistas dos separatistas na EUROPA OCIDENTAL e o seqüestro de estrangeiros no LÍBANO.

O continente europeu tem sido vítima, ultimamente, de três categorias de terrorismo: o nacional ou separatista; o revolucionário de esquerda; e o árabe. O primeiro está ligado à luta de grupos nacionalistas pela autonomia de determinadas regiões. Estão inseridos neste contexto o EXÉRCITO REPUBLICANO IRLANDÊS (IRA), da IRLANDA DO NORTE, O EUSKADI TA ASKATASUNA (ETA), da ESPANHA, e a FRENTE DE LIBERTAÇÃO NACIONAL DA CÓRSEGA, da FRANÇA. Esses grupos têm-se destacado pela violência e sofisticação de seus ataques no campo interno, sem ter uma repercussão internacional.

O terrorismo revolucionário de esquerda está vinculado às principais organizações terroristas de extrema-esquerda européia. São elas: FRAÇÃO DO EXÉRCITO VERMELHO (RAF), da ALEMANHA OCIDENTAL; AÇÃO DIRETA (AD), da FRANÇA; CÉLULAS COMUNISTAS COMBATENTES (CCC), da BÉLGICA; BRIGADAS VERMELHAS (BR), da ITÁLIA; e FORÇAS POPULARES 25 DE ABRIL (FP-25), de PORTUGUAL. Esses grupos decidiram agir em conjunto através de uma frente político-militar, no sentido de coordenar suas atividades. Essa união, chamada de "euroterrorismo", não tem como alvo o Estado, mas a desestabilização do principal organismo de defesa dos países ocidentais, a Organização do Tratado do Atlântico Norte (OTAN), numa ação que se identifica com a do movimento pacifista europeu. A guisa de exemplo, podemos citar os seguintes assassinatos: do General RENÉ AUDRAN, do Departamento de Defesa da FRANÇA, em Jan 85; do industrial alemão-ocidental ERNST ZIMMERMAN, em Fev 85; do físico nu-

clear alemão-ocidental KARL-HEINZ BECKURTS, da SIEMENS, em Jul 86; e do General LÍCIO GIORGIERI, do Departamento Aeronáutico e Espacial das Forças Armadas da ITÁLIA, em Mar 87. Todas essas vítimas estavam envolvidas ou ligadas à produção de material bélico e ao projeto de instalação de armas no espaço ("Guerra nas Estrelas").

De um tempo para cá, a EUROPA OCIDENTAL tem sido vítima também do terrorismo árabe, que busca, através da violência, alterar a política do Ocidente em relação ao ORIENTE MÉDIO. Os ataques são indiscriminados e visam criar pânico e medo na população. Os grupos mais atuantes são as FACÇÕES ARMADAS REVOLUCIONÁRIAS LIBANESAS (FARL), CONSELHO REVOLUCIONÁRIO-AL FATAH (de ABU NIDAL), COMITÊ DE SOLIDARIEDADE AOS PRESOS POLÍTICOS ÁRABES E DO ORIENTE MÉDIO (CSPPAOM), ORGANIZAÇÃO REVOLUCIONÁRIA DE MUÇULMANOS SOCIALISTAS (ORMS) e JIHAD ISLÂMICA. Como exemplos desse tipo de ação, podemos lembrar os atentados a bomba: nos aeroportos de ROMA e VIENA, em Dez 85; na Sociedade Árabe-Germânica em BERLIM OCIDENTAL, em Mar 86; numa discoteca de BERLIM OCIDENTAL, em Abr 86; e em vários pontos na cidade de PARIS, em Set 86.

O ORIENTE MÉDIO é uma das regiões mais violentas do mundo. A religião atua como importante força política e ideológica. Por isso, o terrorismo ali praticado está ligado a problemas da área e traz uma carga de fanatismo religioso a completar-lhe a motivação política.

O LÍBANO, além de ser o país mais atingido pelas ações terroristas, é base logística da maioria das ações praticadas pelos árabes. Para isso, contribuem as duas principais facções político-religiosas, cristãos e muçulmanos, em sua luta pela hegemonia do país. Além desses, há também o terrorismo praticado por grupos xiitas fanáticos — Partido HEZBOLLAH, JIHAD ISLÂMICA*, ORGANIZAÇÃO DOS OPRIMIDOS DA TERRA (OOT) e ORGANIZAÇÃO DA JUSTIÇA REVOLUCIONÁRIA (ORJ) -, que são orientados e financiados pelo Governo do IRÃ, e os grupos palestinos radicais, entre eles o de ABU NIDAL, que são apoiados, treinados e financiados pela LÍBIA e SÍRIA.

*JIHAD (Guerra Santa): "não configura necessariamente uma organização terrorista; lema ou bandeira sob a qual podem atuar vários grupos articulados ou isoladamente".

As ações terroristas voltaram a crescer no território libanês e são dirigidas principalmente contra alvos do Exército israelense, no Sul do LÍBANO, e das tropas sírias em BEIRUTE. Além disso, tem sido registrados atentados seletivos, como o perpetrado contra o Primeiro-Ministro RACHID KARAME, possivelmente por grupos contrários a sua política de aproximação com a SÍRIA. Ressalta-se, ainda, que cerca de 26 reféns estrangeiros continuam em poder de diferentes grupos terroristas no país.

Alguns países do ORIENTE MÉDIO utilizam o terrorismo como instrumento de sua política externa. Os maiores protagonistas dessas atividades são a LÍBIA, SÍRIA e IRÃ. Após o bombardeio norte-americano a TRÍPOLI e BENGAZI em Abr 86, o Coronel MUAMAR KADAFI alterou apenas sua tática. Antes, apoiava o terror e assumia publicamente esta postura. Atualmente, mantém a mesma política, sem, no entanto, divulgar sua posição em face do problema. KADAFI apóia grupos terroristas, principalmente palestinos, dentre eles o de ABU NIDAL, para atuarem na região e no continente europeu. Presta-lhes assistência logística e treinamento em seu território. Para a eliminação dos inimigos do regime, KADAFI utiliza-se de agentes do seu serviço secreto. Os últimos atentados patrocinados pelo dirigente líbio foram os ataques simultâneos aos aeroportos de ROMA e VIENA em Dez 85, a explosão numa discoteca em BERLIM OCIDENTAL, em Abr 86, e a tentativa de assassinato de um ex-embaixador líbio exilado na ÁUSTRIA, em 20 Mai 87.

Por outro lado, KADAFI tem voltado seus interesses para os movimentos guerrilheiros e os grupos que lutam em favor da causa muçulmana da AMÉRICA LATINA e do CARIBE, por entender que essa região é extremamente sensível para os ESTADOS UNIDOS, seu grande inimigo. Para isso, estabeleceu uma base de treinamento de terroristas ao Sul da NICARÁGUA. Na AMÉRICA CENTRAL apóia a FRENTE FARABUNDO MARTÍ de EL SALVADOR, o GRUPO TENDÊNCIA do PANAMÁ e a ORGANIZAÇÃO PATRIÓTICA SANTA MARIA (OPS) da COSTA RICA. Na AMÉRICA DO SUL, o MOVIMENTO 19 DE ABRIL (M-19) da COLÔMBIA, o ALFARO VIVE do EQUADOR, a FRENTE MANUEL RODRÍGUEZ do CHILE e o TÚPAC AMARU do PERU.

A SÍRIA faz uso do terror para eliminar opositores do regime e hostilizar ISRAEL, EUA e outros países ocidentais. Utiliza-se de organizações terroristas palestinas para a realização de atentados, às quais dá apoio logístico e treinamento.

Depois da descoberta do envolvimento sírio no atentado contra um avião israelense em LONDRES, em Abr 86; no ataque à sinagoga de ISTAMBUL, em Set 86; e no seqüestro de um avião em CARACHI, em Dez 86, o Governo de DAMASCO adotou um maior controle sobre as atividades dos grupos extremistas por ele patrocinados, principalmente o de ABU NIDAL, tendo em vista a sua reputação perante a comunidade internacional.

O IRÃ apóia grupos islâmicos que atuam no LÍBANO, como o Partido HEZBOLLAH, para eliminar inimigos políticos e exportar a revolução islâmica. Atualmente, o Governo de TEERÃ não está exercendo influência sobre as organizações pró-iranianas no LÍBANO, nem orientando-as a realizarem atentados na EUROPA OCIDENTAL.

A respeito do envolvimento da UNIÃO SOVIÉTICA com as organizações terroristas da EUROPA OCIDENTAL, de ideologia marxista-leninista, há algumas evidêncais que permitem concluir a existência dessa ligação, ao menos indiretamente, através do Departamento Internacional do Partido Comunista da UNIÃO SOVIÉTICA (DI/PCUS). Os principais indícios são os seguintes: os objetivos dos grupos extremistas europeus, que constituem o chamado "euroterrorismo", vão ao encontro dos interesses soviéticos (OTAN, pacifismo, desnuclearização da EUROPA e autoridades ligados ao projeto "Guerra nas Estrelas"); as democracias ocidentais têm sido as grandes vítimas do terror; os países do Leste europeu não cooperam no que se refere a pedidos de extradição de terroristas ou de prisão internacional; e livre trânsito de extremistas em território da URSS e de seus aliados.

Entretanto, há um óbvio interesse do KREMLIN em negar o fato, porque comprometeria a imagem do Estado socialista, que a URSS pretende manter. Por isso, sustenta que as atividades terroristas e os seus própositos não estão em consonância com a

política externa da UNIÃO SOVIÉTICA.

No tocante às medidas governamentais para o combate ao terrorismo, os países europeus da Comunidade Econômica Européia (CEE) têm-se valido da cooperação bilateral e multilateral para diminuir a violência que assola a região. Nesse sentido, está havendo um rígido controle na entrada de estrangeiros procedentes das Nações que praticam o Terrorismo de Estado e dos países do Leste europeu. Cumpre assinalar, também, o intercâmbio de informações entre os serviços de inteligência e de polícia dos países da EUROPA OCIDENTAL. Além disso, os Governos ocidentais, no plano interno, vêm-se aparelhando de medidas cada vez mais eficazes para fazer frente aos terroristas, tais como: legislação antiterror mais rigorosa; maior controle de estrangeiros; acordos de extradição; criação de forças especiais; redução de pessoal das Nações que apóiam o terror; rompimento de relações diplomáticas; e a infiltração de elementos nos movimentos extremistas.

Apesar das medidas preventivas e repressivas adotadas pelos Governos ocidentais, o Terrorismo Internacional tem aumentado sua atuação, em termos de violência e sofisticação de meios, graças ao apoio recebido de Nações que utilizam o terror como componente de sua política externa. Esse fato tem-se tornado um dos temas de maior preocupação no contexto da segurança nacional, em vários países, e no campo das relações internacionais.

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Data da elaboração do documento: 09 JUN 87

Embaixada brasileira

135/A

INUR Nº 382.3/10 ABR 87

BOLÍVIA

— **Término da greve de fome**

A Central Operária Boliviana (COB) suspendeu, dia 1º Abr 87, em caráter temporário, a greve de fome desencadeada há 12 dias por líderes sindicais e cerca de 5.000 trabalhadores. A decisão foi adotada em reunião de dirigentes sindicais, quando 18 representantes se pronunciaram a favor da suspensão e outros oito exigiram a continuidade da greve, até as últimas conseqüências.

A COB iniciou o movimento grevista por discordar da política econômica e social do Governo PAZ ESTENSSORO. As principais reivindicações trabalhistas são aumento de salários, reabilitação da Corporação Mineira da Bolívia (COMIBOL), segurança social e emprego, revisão da política fiscal, orçamento para a Educação e solução dos problemas do setor ruralista.

A COB, após sentir que suas pretensões estavam sendo recusadas, iniciou contatos com outras organizações cívicas, mas não conseguiu o apoio desejado. O Governo boliviano, embora aberto ao diálogo, negou-se a discutir sob pressão. Não concederá aumentos salariais exorbitantes que venham a comprometer o esforço de redução dos índices inflacionários. O orçamento boliviano prevê um aumento do salário mínimo de 42 bolivianos (US$ 21) para 50 bolivianos (US$ 25), embora a COB esteja pretendendo 370 bolivianos (US$ 158).

Os líderes sindicais informaram que a suspensão da greve de fome é temporária e, caso o Governo não atenda às reivindicações, outros movimentos serão iniciados.

Embora tenha sido parcialmente resolvida a atual crise social, que contou inclusive com mediação da Igreja, a intransigência do Governo e as dificuldades financeiras vividas pelos trabalhadores deixam no ar uma incerteza sobre o desdobramento do quadro interno boliviano.

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Data da elaboração do documento: 03 ABR 87

INUR Nº 383.3/10 ABR 87

PERU

— **Medidas contra o terrorismo**

Devido à crescente onda terrorista desencadeada nos últimos dias, o Presidente ALAN GARCIA prorrogou, por mais 60 dias, a partir de 25 Mar, o "Estado-de-Emergência, com suspensão das garantias constitucionais e toque de recolher" em LIMA e CALLAO. Procedimento idêntico foi adotado pelo Executivo, em 27 Mar, prorrogando o Estado-de-Emergência em 18 Províncias dos Departamentos de AYACUCHO, HUANCAVÉLICA, APURIMAC e HUANUCO.

Esses atos do Executivo são necessários para que as Forças Armadas possam atuar na repressão à subversão, já que estas, por força da Constituição, só podem ser empregadas em regiões submetidas a um estado de exceção. Embora essas medidas não tenham, até o momento, surtido o efeito desejado para acabar com a violência, elas têm, pelo menos, representado algum obstáculo ao seu desenvolvimento.

Para fortalecer a ação antiguerrilheira no país, o Presidente GARCIA promulgou, também, uma lei mais severa, que prevê uma melhor caracterização dos culpados ou cúmplices de delitos terroristas e aumenta as penas. Essa nova medida se justificou porque ficou demonstrado que a legislação não caracterizava, com clareza e precisão, se os delitos cometidos por guerrilheiros eram considerados como comuns ou de terrorismo.

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Data da elaboração do documento: 03 ABR 87

INUR Nº 1035.3/25 SET 87 01/02

CHILE

- Catorze anos de Regime militar.

Após 14 anos de Regime militar, o CHILE é um país marcado pela disposição do Presidente AUGUSTO PINOCHET de "projetar-se" por mais oito anos de mandato, a partir de 11 Mar 89, e pelos esforços oposicionistas de impedir que tal ocorra.

No discurso comemorativo do "Pronunciamento Militar" que pôs fim ao Governo de SALVADOR ALLENDE, em 1973, PINOCHET anunciou "mão dura" contra as forças oposicionistas de esquerda - conjugadas pelos partidos políticos, sindicatos, classe estudantil e, principalmente, pela "Frente Patriótica MANUEL RODRIGUEZ (FPMR)" que vem recrudescendo suas ações.

PINOCHET tem ainda 18 meses de mandato a cumprir. Até 3 meses antes, o povo referendará ou não o nome do único candidato a presidir o país a partir de 1989. No entanto, o Palácio de La Moneda vem anunciando que o plebiscito será realizado em 11 Set 88, quando o Regime completará quinze anos.

Para lograr obter a aprovação popular, PINOCHET deverá endurecer, ainda mais, nos próximos 12 meses de campanha, aliás como ele próprio anunciou, e tudo fará para impedir uma maior penetração oposicionista na população, da qual uma parcela insatisfeita vem apoiando a FPMR.

No contexto das ações oposicionistas ao regime de PINOCHET, a última façanha da FPMR foi o seqüestro do Ten Cel CARLOS CARREÑO BARRETO, Vice-Diretor da Fábrica de Armamento do Exército. Para a sua libertação, a FPMR exigiu: um resgate de US$ 2 milhões; a soltura de vários presos políticos; e a divulgação de um manifesto ideológico em emissoras de rádio e TV. O Governo se nega a fazer qualquer concessão. Mas a Igreja Católica, na pessoa do Padre ALFREDO SOUZA, aloca esforços no sentido de intermediar uma solução para o seqüestro, parte da operação denominada "Não à perpetuação do tirano no poder".

DATA DA ELABORAÇÃO DO DOCUMENTO: 18 SET 87

Também tentando resistir à continuidade de PINOCHET à frente do Governo, o Partido Democrata-Cristão (PDC) solicitou seu registro oficial. Embora haja requerido a inscrição sob protesto, seus dirigentes crêem na necessidade de legalizá-lo para que possa liderar a oposição e impedir a perpetuação do Regime. A seu favor, PINOCHET conta com os sucessos na área econômica, sobretudo no que diz repeito à dívida externa. Esse é o ponto forte da campanha que agora tomará mais força, visando a demonstrar que o projeto de transição pacífica à democracia não apenas é o ideal, como também evitará que o CHILE retorne ao socialismo.

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INUR Nº 1031.3/25 SET 87

SURINAME. Atualização do quadro geral

O SURINAME se prepara para mais um teste das reais possibilidades de consumação da normalização democrática - o "referendum" da nova Constituição no próximo dia 30 Set.

Em Ago passado, o surgimento da "Frente Democrática Progressista" (FDP), coligação dos três partidos tradicionais surinameses, como a principal força de oposição, trouxe alterações para o contexto político interno surinamês. A insatisfação de chefes militares com uma alegada "radicalização do processo" (na verdade preocupados com a força demonstrada pela "Frente" em angariar o respaldo popular) ficou patenteada na "petição" enviada ao Comandante DESIRÉ BOUTERSE que resultou na sua saída e do Comandante IWAN GRAANOOGST do "TOPBERAAD" (Conselho decisório de mais alto nível no país). Em conseqüência, surgiram tensões em PARAMARIBO, possivelmente debeladas com o "Acordo de LEONBERG", assinado pelos líderes da "Frente" com BOUTERSE no sentido de garantir o prosseguimento do processo político-institucional no SURINAME.

O Comandante BOUTERSE parece ter-se afastado do "TOP COUNCIL" para melhor administrar a crise e não deixou com isso de prestar uma satisfação aos militares, mas ao mesmo tempo abriu espaço no Conselho para a instalação de representantes esquerdistas, que garantissem, talvez, um certo equilíbrio à presença dos moderados. Além disso, valeu-se por manter incólume sua posição de líder inconteste, colocando-se acima das disputas partidárias. O Premier JULES WIJDENBOSCH foi designado pelo Comandante BOUTERSE para coordenar as atividades do "TOPBERAAD", no sentido de elaborar a legislação eleitoral, a compreender o "referendum", as eleições de 25 Nov, bem como a regulamentação dos partidos políticos; a Sra. SANDRA GOEDSCHALK foi indicada pelo Mov 25 Fev, entidade base de sustentação do atual regime.

Agora o "TOP COUNCIL" é liderado pelo teórico político do Governo, o Premier WIJDENBOSCH, e tem como representantes do Mov 25 Fev, a Sra. GOEDSCHALK e o Reitor EDWARD ERNIE BRUNINGS, ambos comunistas.

Data de elaboração do documento: 09 SET 87.

A ressurreição política de HENK HERRENBERG, isto é, o retorno do "Conselheiro" do Comandante BOUTERSE à Chefia do Gabinete do Governo, pode ser interpretada como outro avanço da esquerda nos órgãos governamentais, onde estão presentes outros esquerdistas: HENK GOEDSCHALK, Presidente do Banco Central do Suriname; FRANK PLAYFAIR, Vice-Presidente do Movimento 25 de Fevereiro; Major LAURENS NEEDE, Comandante das Milícias Populares; WINSTON CALDEIRA, diretor do Escritório de Planejamento Governamental; Tenente BADRESSEIN SITTAL, Presidente da Comissão Nacional de Arroz e o Tenente CHAS MIJNALS, representante do Movimento 25 de Fevereiro na Assembléia Nacional.

A Assembléia Nacional aprovou no dia 01 Set passado a lei que regula a realização do "referendum". O prazo para registro de eleitores encerra-se no próximo dia 18.

Mesmo antes da aprovação popular da Carta Magna, prossegue a campanha política, em clima pré-eleitoral, com vistas ao pleito de 25 Nov para escolha da Assembléia Nacional (órgão máximo do Estado responsável pela eleição presidencial prevista para Mar 88).

O Partido Democrático Nacional (NDP), de BOUTERSE e WIJDENBOSCH, que aposta em sua vitória para Presidência da República em um segundo turno (eleição na Assembléia com participação de delegados dos Distritos) não deve estar alheio aos reforços, ainda que reduzidos, recebidos pela FDP. Depois da cooptação do pequeno Partido PENDAWA LIMA à coligação, através do Partido dos Javaneses (KTPI), a "Frente" adicionou o Partido Progressista do SURINAME (PSV), via Partido Nacional do SURINAME (NPS). Agora são cinco os partidos que formam a "Frente Democrática Progressista".

Também no quadro militar observa-se uma certa alteração. Muitas áreas do país consideradas como regiões conflagradas estão sendo reconstruídas pelo Exército Nacional, cujas tropas estão "a empurrar" os guerrilheiros para a fronteira com o Departamento Ultramarino de FRANÇA. Foram liberadas as rodovias que ligam PARAMARIBO a MOENGO e esta a ALBINA.

Apesar de as ações guerrilheiras estarem praticamente paralisadas, num contexto tático, a região de BROKOPONDO continua sendo assolada por escaramuças. O objetivo dos rebeldes seria a destruição das redes de energia elétrica da linha AFOBAKA-PARANAM.

Temem as autoridades surinamesas, no entanto, o reinício das ações guerrilheiras desta vez com profissionais experientes, financiados por grupos ou países estrangeiros com a finalidade de impedir o prosseguimento do calendário de democratização do SURINAME.

A situação econômica do país se constitui, sem dúvida, em uma séria preocupação de PARAMARIBO. A grave crise de abastecimento, sem precedentes, que abala a população surinamense, em particular na capital da ex-colônia holandesa, é o principal reflexo da deterioração da economia. Só a ajuda externa poderá desafogar a vulnerável economia do SURINAME, excessivamente dependente do mercado externo.

CONCLUSÃO

A conjuntura do SURINAME permite algumas conjecturas:

- O calendário de normalização democrática segue o seu curso sem alteração;

- O quadro político-partidário já está formado, com o partido situacionista nucleado no Movimento 25 de Fevereiro (NDP), as forças trabalhistas (SPA), progressistas, e a "Frente" dos partidos tradicionais (FDP) em franca oposição; todos parecem apoiar o evoluir do processo de normalização democrática; ao que se imagina, será necessário um segundo turno para definir as eleições; nisso aposta a NDP de BOUTERSE;

- A "situação" não parece mais tão confiante, depois da formação da "Frente", cujo acerto julgava-se inviável dadas as diferenças antigas dos partidos étnicos;

- A "recaída" de BOUTERSE à esquerda pode refletir uma insegurança quanto ao resultado eleitoral; seria um recurso à coesão do revolucionário Movimento 25 de Fevereiro, um conjunto de forças heterogêneo onde militam tendências "nacionalistas", "socializantes" etc...; também, no esforço de atração do eleitorado, a NDP pretende exibir uma feição "autóctone" em confronto com os partidos tradicionais, a quem se imputa a opção por recompor o "modelo" democrático desenhado pela HOLANDA; e

- No plano militar, não há prenúncio de vitória decisiva iminente para qualquer das partes; o país ainda está sujeito a ações fortuitas da guerrilha, mas o avanço das Forças Armadas parece ter isolado a possibilidade do "ganho estratégico" por parte dos rebelados; estes tentam obstruir o calendário de normalização institucional.

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Enlace Brasileiro

INUR Nº 808.3/07 AGO 87

PARAGUAI

— Convenção Nacional do Partido Colorado

A Aliança Renovadora Nacional (ARN), nome oficial do Partido Colorado, realizará sua "Convenção Nacional" nos dias 01 e 02 Ago próximos, quando definirá a composição da Junta de Governo partidária e indicará o candidato da agremiação para a eleição presidencial, marcada para Fev 88.

O Partido Colorado, hoje, está dividido em duas alas: a "tradicionalista", atualmente na cúpula partidária e buscando a reeleição, e a "militante", integrada por colaboradores do Presidente da República, ALFREDO STROESSNER, que querem alcançar os principais postos.

Os "tradicionalistas" defendem a chapa encabeçada pelo atual presidente da ARN, JUÁN RAMÓN CHAVES, de 81 anos e desde os 25 na direção da agremiação. Os "militantes" concorrem com uma chapa liderada pelo Ministro do Interior, SABINO AUGUSTO MONTANARO, e têm como candidatos às três Vice-Presidências, os Ministros da Saúde Pública, ADAN GODOY GIMENEZ, da Justiça e Trabalho, EUGENIO JACQUET, e o Secretário Particular de STROESSNER, MARIO ABDO BENITEZ.

O Presidente do Partido Colorado é também o Presidente do Senado e o substituto legal do Presidente da República, no caso de impedimento, já que os guaranis não têm Vice-Presidente.

Esta é a primeira vez, em 33 anos, que há mais de uma candidatura à cúpula da ARN. Dos 850 membros que terão voto na convenção, a maioria tem manifestado apoio a MONTANARO, de 65 anos.

Tanto "tradicionalistas" quanto "militantes" querem a continuidade do coloradismo no poder. No entanto, aspirações pessoais geram a divisão da ARN nas duas alas que hoje disputam a presidência partidária. Embora ainda não haja discussão aberta sobre o tema, as lideranças políticas paraguaias começam a demons

trar preocupação com a sucessão de STROESSNER que, no caso de ser reeleito em Fev 88, iniciará o oitavo mandato próximo de completar 76 anos. Nesse contexto, fazer parte da Junta de Governo colorada e ocupar o segundo posto na hierarquia do Governo da República significa indicação provável à sucessão de STROESSNER.

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Data da elaboração do documento: 31 JUL 87

Anexos: VENEZUELA COLOMBIA

Embaixada brasileira

INUR Nº 677.3/01 JUL 87

Assunto: VENEZUELA.

O quadro de tranqüilidade social que há muito caracterizava a VENEZUELA tem sofrido alterações significativas, com ocorrências violentas, tanto em suas principais cidades, quanto em sua fronteira com a COLÔMBIA.

Com a justificativa de protestos contra as medidas econômicas adotadas pelo Governo, que teriam causado uma elevação nos índices de inflação a níveis próximos de 30% ao ano, as mais altas da história venezuelana, agravada agora por um aumento nas tarifas do transporte coletivo, de mais de 100%, os estudantes universitários vêm realizando passeatas não só em CARACAS, como em quase todas as cidades mais importantes do país.

O Governo as considera ilegais e as reprime com grande violência policial, resultando um saldo elevado de prisões e feridos.

As manifestações que inicialmente eram apenas de protesto contra o aumento do custo de vida, agora têm também como motivo demonstrar a discordância quanto à invasão das universidades por forças policiais, à violência e às inúmeras prisões que têm sido realizadas.

Na fronteira oeste, a VENEZUELA vem desenvolvendo ações de repressão ao narcotráfico, sendo que o mais sério problema ocorreu na madrugada do último dia 13, quando um destacamento da Guarda Nacional foi quase dizimado por um grupo numeroso de "narcoguerrilheiros".

O ataque foi cometido por cerca de 80 homens, supostamente colombianos, contra os militares que se encontravam dormindo, resultando na morte de 9 soldados e um oficial, e ferimentos em outros 9. O destacamento estava encarregado da destruição de plantações de coca e de maconha, na região da Serra de PERIJA, de difícil acesso. Esta mesma área serve de refúgio para guerrilheiros colombianos, em sua fuga.

O Presidente JAIME LUSINCHI, lamentando profundamente a morte dos militares patrícios, instou BOGOTÁ a conter, dentro de suas fronteiras, a subversão armada e o tráfico de drogas.

Por seu turno, o Chanceler SIMON ALBERTO GONSALVI considerou que há fortes indícios de existirem vínculos entre o ataque ao posto militar e o atentado perpetrado, na noite do dia 16 Jun, contra o Encarregado de Negócios da VENEZUELA em BOGOTÁ, GONZALO ASPINA FARIA. O diplomata dirigia-se para sua residência quando elementos não identificados dispararam tiros contra o veículo em que se encontrava, tendo todavia logrado sair ileso.

Tal situação tornou tensas as relações entre CARACAS e BOGOTÁ, tendo o Presidente LUSINCHI declarado que "as FFAA garantirão a soberania dos territórios nacionais em toda sua extensão".

As autoridades venezuelanas, em especial o Presidente LUSINCHI, têm insistido que o clima conturbado em que se encontra atualmente o pais não é fruto de insatisfações sociais da população e sim de um plano subversivo para desestabilizar o sistema político, organizado no exterior e com a participação do narcotráfico, demonstrando uma vez mais o processo de internacionalização da luta armada no continente e a interrelação entre os diferentes grupos guerrilheiros da área, bem como a notória participação, neste processo, dos narcotraficantes.

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Data da elaboração do documento: 19 JUN 87

Fonte: ... Solidaridad
SUBV. LAT.
SENDERO LUMINOSO

Enlace brasileño

Fecha ... Fuente: 24 ...
Fecha de ...
Pase a: Archivo
Nº. de Identificación: 1814/A

INUR Nº 1037.3/25 SET 87

ASSUNTO: ATIVIDADES DO TERRORISMO INTERNACIONAL.

Na AMÉRICA DO SUL, houve um aumento significativo das ações terroristas em relação a julho. PERU e COLÔMBIA, com 16 e 15 atentados, respectivamente, permanecem como os mais violentos da região e do mundo.

O SENDERO LUMINOSO (SL), depois de expulso do seu "santuário" em AYACUCHO pelo Exército peruano, vem-se deslocando para os demais Departamentos do país, inclusive LIMA. Os senderistas desencadearam uma série de atentados a instituições bancárias, hotéis e praticaram uma outra gama de assassinatos seletivos de militares e políticos em várias localidades. Além do SL, o MOVIMENTO REVOLUCIONÁRIO TÚPAC AMARU (MRTA) esteve muito atuante nesse mês, realizando ataques na capital peruana.

Para combater a violência, o Governo do PERU tem-se utilizado de medidas de exceção em várias Províncias e do emprego do próprio Exército. No entanto, os resultados, até agora, são extremamente modestos.

Na COLÔMBIA, o EXÉRCITO DE LIBERTAÇÃO NACIONAL (ELN) foi o mais ativo entre as organizações guerrilheiras que ameaçam as instituições do país. Sua presença tem sido sentida constantemente pelos agricultores e funcionários das companhias petrolíferas que atuam no norte do país, em face dos inúmeros atentados de que são vítimas. No ano passado, essas empresas perderam milhões de dólares com a destruição de oleodutos e estão em dificuldades para contratar técnicos especializados pelos riscos impostos pelos rebeldes. Além disso, os incidentes ocorridos recentemente entre o ELN e o Exército venezuelano, na fronteira, poderão aumentar as tensões entre os dois países que já possuem áreas de conflito sobre os limites do Golfo da VENEZUELA. A violência política tem-se alastrado para outras regiões colombianas, principalmente em MEDELLÍN, onde foram assassinadas várias pessoas influentes por elementos não identificados, que podem ser tanto de direita como de esquerda. As constantes ameaças de morte criam um clima de insegurança, atingindo todo o país, que não dispõe de recursos materiais e humanos para proteger devidamente seus cidadãos. Nesse sentido, vários parlamentares do partido União Patriótica (UP), formado pelas FORÇAS ARMADAS REVOLUCIONÁRIAS DA COLÔMBIA (FARC), estariam pensando em renunciar seus mandatos por falta de garantias constitucionais, uma vez que mais de 400 membros da UP já foram assassinados.

Data de elaboração do documento: 16 SET 87.

Tal situação levou o Presidente VIRGÍLIO BARCO a colocar todo o país sob estado de sítio, nomear legisladores especiais e aumentar as penas para os acusados de fazerem intimidações. Ademais, exortou a população a colaborar com as autoridades no combate ao terrorismo.

Convém registrar também que a guerrilha colombiana, principalmente as FARC, está sendo treinada por assessores cubanos. Essa acusação foi feita por guerrilheiros dessa organização presos pelas forças de segurança. Tal fato vem confirmar, mais uma vez, o envolvimento de CUBA com grupos revolucionários sul-americanos.

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Entrel brasileiro

INUR Nº 620.3/16 JUN 87

LÍBIA

- **Situação interna.**

A partir dos recentes acontecimentos no CHADE, quando as tropas de HISSENE HABRÉ expulsaram os líbios após uma ocupação de quatro anos, a situação interna na LÍBIA começou a dar sinais de lenta deterioração. As elevadas baixas e a falta de meios logísticos elementares provocaram um mal-estar geral na população, que se indaga da inutilidade do esforço militar.

Os grupos dissidentes no exterior passaram a explorar a situação ao máximo, o que teria levado KADAFI a preparar novos planos para a eliminação de seus principais líderes.

Segundo observadores, o dirigente líbio considera o insucesso da operação no CHADE uma séria derrota pessoal. Em conseqüência, estaria a preparar uma grande ofensiva em que seriam empregados todos os meios necessários para superar as forças de HISSENE HABRÉ.

O CHADE, no entanto, conta com o apoio de países vizinhos, especialmente do ZAIRE, e da FRANÇA, o que parece suficiente para enfrentar o agressor.

KADHAFI atravessa um período bastante difícil e desde o ataque norte-americano a TRÍPOLI, em Abr 86, tem experimentado seguidos revezes.

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Data da elaboração do documento: 29 MAI 87

18

Enlace brasileiro

135/87

INUR Nº 385.3/10 ABR 87

POLÔNIA

— Novas medidas para ajuste da economia

A elevação dos preços dos alimentos, combustíveis e tarifas de transportes públicos, decorrente do "ajuste de economia" decretado pelo Governo no dia 28 Mar último, vem provocando tensões e reações na população e aumentando a possibilidade da ocorrência de novas greves e passeatas de protesto. Segundo diferentes setores sociais, o índice de elevação de custo de vida na POLÔNIA teria sido superior ao verificado em outros países do Leste Europeu.

Em declaração a respeito das medidas adotadas pelo Governo polonês, o Arcebispo católico BRONISLAW DABROWSKI tem procurado traduzir as apreensões da família polonesa que se acha ameaçada em seus meios de sobrevivência. Por outro lado, o líder religioso procura alertar também o Governo no sentido de que a força do Estado depende, principalmente, do apoio popular, o que, de certa forma, vem sendo prejudicado.

Elementos do proscrito sindicato "Solidariedade" bem como sindicalistas da "Aliança Nacional", controlada pelo Partido Comunista, também têm-se manifestado, em oportunidades diferentes, contra as medidas de ajuste e se propõem a apoiar protestos que surjam, embora não se tenha convocado movimento popular com essa finalidade. No entanto, não está descartada a possibilidade de que demonstrações antigovernamentais venham ocorrer, em face do grau de insatisfação gerado pelas novas medidas econômicas aprovadas pelo Governo da POLÔNIA.

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Data da elaboração do documento: 03 ABR 87

Bulcel brasileiro

01/02

INUR Nº 889.3/26 AGO 87

ANGOLA

- Dificuldades econômicas.

O Presidente angolano, JOSÉ EDUARDO DOS SANTOS, abriu nesta semana a segunda sessão ordinária da Assembléia do Povo (Parlamento), no momento em que o país atravessa uma difícil situação econômica e manifesta interesse na solução global da problemática da ÁFRICA AUSTRAL.

A drástica queda no preço do petróleo bruto e seus derivados no mercado internacional resultou numa diminuição considerável das receitas de ANGOLA, apesar do aumento em 26% do volume exportado. A situação é agravada pelo esforço de guerra contra a UNITA, débil coordenação na execução das diretrizes de governo e deficiências na gestão econômica e financeira do país.

A falta de divisas afetou a produção alimentar, a sua comercialização e o estoque de matérias-primas fundamentais para a indústria de transformação, parcialmente paralisada, embora o Estado continue a pagar os salários dos trabalhadores. Houve, ainda, aumentos significativos na taxa de inflação e dívida externa.

A difícil situação tem gerado preocupações na cúpula governamental, ampliando as divergências entre moderados e radicais quanto à melhor forma de superá-la. Parecem enquadrar-se neste contexto as últimas gestões de LUANDA com vistas à solução da problemática regional. Por ocasião de uma visita a HAVANA, em fins de julho, os Presidentes JOSÉ EDUARDO DOS SANTOS e FIDEL CASTRO chegaram a emitir um comunicado conjunto em que se manifestaram dispostos a manter "flexibilidade nas negociações para alcançar um acordo justo honorável", que propicie a independência da NAMÍBIA, a segurança de ANGOLA e a paz em todos os Estados da ÁFRICA AUSTRAL.

Na sua oração ao legislativo, JOSÉ EDUARDO manifestou desagrado pelo silêncio de WASHINGTON e reiterou acusações à Administração REAGAN por prosseguir "na política de alinhamento ao regime sul-africano". Criticou a recente decisão norte-americana de aplicar sanções econômicas contra os Estados membros da Conferência de Coordenação para o Desenvolvimento da ÁFRICA AUSTRAL (SADCC) e da Linha de Frente, acusados de apoiar o terrorismo em razão da ajuda à SWAPO e à oposição sul-africana.

ANGOLA necessita, mais do que nunca, de paz e da ajuda externa para superar a situação crítica em que se encontra. Contudo, isto só será possível dentro de um entendimento amplo que ainda parece distante. A ÁFRICA DO SUL, segundo LUANDA, estaria concentrando forças ao norte da NAMÍBIA, com vistas a possíveis incursões em ANGOLA e apoio à UNITA, o que demonstraria a continuação da política agressiva e discordância às propostas de entendimento.

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Data da elaboração do documento: 14 AGO 87

Enlace brasileño

MINISTERIO DE DEFENSA NACIONAL
... Informacion de ...
Fecha de Entrada 13.10.87
Fecha de Salida 26.11.87
Pasa a ...
Nº. de Identificación 1646/87

INUR Nº 610.3/16 JUN 87

OLP

ORIENTE MÉDIO. Questão Palestina

De 20 a 27 Abr 87, realizou-se em ARGEL/ARGÉLIA a 18ª. Reunião do Conselho Nacional Palestino (CNP), que tem funções de Parlamento no exílio, a qual marcou a reunificação do fragmentado movimento guerrilheiro em torno do líder YASSER ARAFAT, após quatro anos de lutas internas.

Para obter o apoio da maior parte dos grupos radicais, o líder palestino fez concessões que dificilmente permitirão manter a linha moderada seguida nos últimos anos. Rompeu o Acordo de AMÃ, assinado em 1985 com o Rei HUSSEIN da JORDÂNIA, para a participação da OLP numa delegação conjunta palestino-jordaniana em negociações de paz com os ESTADOS UNIDOS e ISRAEL; aceitou as resoluções adotadas na última reunião de cúpula árabe, que condenam o EGITO pela assinatura dos acordos de CAMP DAVID, com o governo israelense; e acatou a resolução de criar um colegiado para dirigir a organização. Durante a conferência foi aprovada por maioria a admissão do Partido Comunista Palestino no CNP, bem como a participação de um representante comunista no Comitê Executivo da OLP. A estratégia adotada, contudo, não obteve sucesso absoluto. Permanece a ruptura da "frente de rejeição" ou seja com as organizações de ABU NIDAL - a FATAH Conselho Revolucionário - e a Frente de Libertação Popular Palestina, de SHAMIR GHOSHA, que não compareceram às deliberações do CNP, por não terem sido aceitas suas exigências de reduzir os poderes de ARAFAT e do rompimento total entre a OLP e o CAIRO.

Pelos termos do acordo de conciliação, o Comitê Executivo da OLP passou a ser integrado por 15 membros, cinco a mais do que antes, o que permite a inclusão dos grupos pró-SÍRIA, representados pela Frente Popular para a Libertação da Palestina, de GEORGE HABASHE, e da Frente Democrática para a Libertação da Palestina, de NAYEF HAWATMEH, bastante poderosa nos territórios árabes ocupados por ISRAEL.

Fortalecida pela reconciliação, a OLP parece suficientemente forte para buscar a paz com a SÍRIA, considerada

ponto-chave nas resoluções da problemática do ORIENTE MÉDIO. Vale lembrar que, em 1984, o Presidente HAFEZ ASSAD deportou ARAFAT e fechou seus escritórios em território sírio.

A primeira conseqüência da reunião de ARGEL foi o rompimento das relações por parte do EGITO, aliado de ARAFAT desde 1983 e principal adversário da SÍRIA na disputa pela hegemonia política no mundo árabe. A decisão egípcia foi em protesto à resolução do CNP que vinculou as relações da OLP com CAIRO à anulação dos Acordos de CAMP DAVID. O Presidente egípcio HOSNI MUBARAK advertiu não tolerar interferências nos assuntos internos do país e que agiria com rigor contra qualquer violação desse princípio. ARAFAT tentou suavizar as resoluções sobre a questão, mas não resistiu às pressões dos radicais. Acredita-se, contudo, que as relações estratégicas da OLP com o Governo de MUBARAK sejam mantidas.

CAIRO de há muito tenta incluir a OLP nos esforços de paz. Para tanto, defende uma mais estreita coordenação da Organização Palestina com a JORDÂNIA e a formação de uma delegação conjunta entre ambas a uma eventual Conferência de Paz para o ORIENTE MÉDIO.

Por outro lado, declaração oficial assinada pelo Governo jordaniano em 21 Abr estabeleceu que, a despeito do rompimento do Acordo de AMÃ, seus princípios continuariam a servir de base para as relações entre palestinos e jordanianos e norteariam os futuros esforços para retomar os territórios palestinos ocupados e restabelecer seus legítimos direitos.

A declaração menciona, ainda, que o acordo é baseado em resoluções tomadas na Conferência de FEZ e visara a preparação do terreno para a participação da OLP em uma Conferência Internacional sobre o ORIENTE MÉDIO. A JORDÂNIA não permitirá que as decisões do CNP prejudiquem seus esforços nesse sentido e deixa claro que o povo palestino terá a última palavra no que diz respeito a seu futuro. Reafirma, ainda, a intenção de encontrar uma fórmula para definir suas relações com a OLP, a servir de base para articular uma ação política no futuro. Enfatiza o reco-

nhecimento da OLP como única representante do povo palestino, porém adverte que, em vista de sua rebeldia, aqueles poderão procurar alternativas à sua representação pela OLP.

Apesar de preocupado com as conseqüências advindas da reunião do CNP, ARAFAT parece seguro de que as diferenças serão sanadas a curto prazo. Para tanto, busca a ajuda dos Governos da ARGÉLIA, do IRAQUE e de outros dirigentes árabes. ARAFAT relegou as relações bilaterais para segundo plano e considera a reunificação da OLP em torno de sua liderança o fator mais importante na busca de uma solução para a questão palestina.

A OLP exige que as negociações sejam realizadas pelos próprios palestinos, sem intermediação. O Conselho foi unânime em apoiar a realização de uma Conferência de Paz no ORIENTE MÉDIO, com a participação de cinco membros do Conselho de Segurança da ONU, de uma delegação independente e autônoma da OLP e outra das demais partes em conflito. Outrossim, reiterou sua negativa em reconhecer a Resolução 242 da ONU, que pede a solução da Questão Palestina como "problema de refugiados".

O resultado da reunião demonstrou, uma vez mais, o potencial de recuperação política de ARAFAT, que sobreviveu às fortes pressões do Presidente da SÍRIA para afastá-lo não só da Presidência da OLP, como também dos quadros da Organização. O texto final assinala o direito à luta armada, mas é dada atenção especial às gestões políticas e diplomáticas, a revelar uma OLP renovada.

A Conferência do CN[illegible] assume importância na medida em que, unida, a OLP possa firmar-se como única representante do povo palestino em conversações internacionais. Apesar de reconhecida pela ONU, WASHINGTON e JERUSALÉM não admitiam que ela falasse em nome dos palestinos devido a sua divisão em diversas facções, com objetivos e métodos claramente diferentes. Após o encontro em ARGEL este conceito parece inalterado em relação à OLP (e ARAFAT), mas por certo hão de surgir dificuldades para a designação de representantes palestinos moderados e desvinculados da organização, em futuras negociações de paz.

O líder palestino se propõe a reunir-se com os dirigentes israelenses, sob o patrocínio das Nações Unidas, para discutir o estabelecimento de um Estado palestino-israelense, ao mesmo tempo em que insiste em chegar a um acordo árabe-israelense através de uma Conferência Internacional sobre o ORIENTE MÉDIO. Porém, adverte que um encontro dessa natureza deverá elaborar uma solução justa, global e duradoura que tenha em conta os direitos nacionais legítimos do povo palestino, segundo dispõem as resoluções da ONU.

ISRAEL, por sua vez, continua irredutível quanto à participação de membros da OLP em futuras negociações, apesar da concordância do Partido Trabalhista, liderado pelo Chanceler SHIMON PERES. O Primeiro-Ministro e dirigente do bloco conservador Likud, YITZHAK SHAMIR, se opôs firmemente à convocação da Conferência, o que provocou a maior crise do Governo de Unidade Nacional de ISRAEL. Em um aparente endurecimento de posição, SHAMIR deixou claro que não fará acordo com o Partido Trabalhista em relação à Conferência Internacional de Paz, desafiando PERES a romper a coalizão que dirige o país há 31 meses. Os observadores internacionais não acreditam numa cisão por parte de PERES, pois assim não conseguiria formar uma maioria parlamentar para aprovar a convocação antecipada de eleições, que estão previstas para 1988.

Enquanto não há entendimento, a OLP promete redobrar a ofensiva terrorista, continuando a luta armada dentro e fora dos territórios ocupados por ISRAEL, a evidenciar um possível recrudescimento da violência, especialmente no LÍBANO.

Enfim, o reagrupamento da Organização significou uma vitória da linha dura, diminuindo as perspectivas de um acordo próximo para o estabelecimento de paz no ORIENTE MÉDIO.

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Data da elaboração do documento: 05 JUN 87

INUR Nº 1032.3/25 SET 87

ORIENTE MÉDIO

— Crise no Golfo Pérsico

As atividades diplomáticas para o encontro de um caminho que conduza ao fim da guerra IRÃ-IRAQUE aumentaram nos últimos dias. Os quinze membros do Conselho de Segurança das Nações Unidas aprovaram por unanimidade uma missão de paz do Secretário-Geral da Organização, JAVIER PEREZ DE CUELLAR, a TEERÃ e BAGDÁ entre os dias 11 e 16 Set, com vistas a conseguir a aceitação da Resolução 598, que exige o imediato cessar-fogo. A medida levou os EUA a adiarem até o fim do périplo a exigência de imposição de sanções no âmbito do Conselho contra o beligerante que não acatar a citada Resolução. Contudo, deixou claro que, em caso de fracasso, elas seriam inevitáveis.

Fontes diplomáticas ocidentais não acreditam que MOSCOU aprove um embargo à venda de armas aos países do Golfo. Embora seja o maior fornecedor de armas ao IRAQUE, a URSS tem conseguido uma aproximação com TEERÃ e assume, cada vez mais, a condição de única potência com acesso diplomático aos dois beligerantes e, em conseqüência, com melhores condições para o desempenho de função mediadora. Aliás, avançou nesse sentido ao receber, nos últimos dias, em MOSCOU, quase que simultaneamente a visita do Vice-Ministro das Relações Exteriores do IRÃ, MOHAMMED LARIJANI, e uma delegação da Liga Árabe, presidida pelo Ministro das Relações Exteriores do COVEITE, SABAH AL AHMED. O Ministro das Relações Exteriores do IRAQUE, TARIK AZIZ, acompanhou a comitiva. O fato assume importância na medida em que ocorreu no período entre a aprovação e a realização da viagem do Secretário-Geral da ONU ao Golfo, o que deixa claro o senso de oportunidade.

Outros membros da Liga, entre eles os Chanceleres da ARÁBIA SAUDITA, MARROCOS e TUNÍSIA, preparam-se para visitar WASHINGTON, PARIS e LONDRES, com o objetivo de analisar formas de negociar a paz. O JAPÃO enviará o Ministro das Relações Exteriores, TADASHI KURANARI, a TEERÃ e BAGDÁ nos dias 18 e 19 com um apelo aos Presidentes ALI KHAMENEI e SADDAM HUSSEIN pela paz e garantias de livre navegação no Golfo.

Fator significativo foi a surpreendente declaração conjunta, desta semana, do IRAQUE e LÍBIA, em que informam a disposição de estreitar relações e pedem o fim da guerra. O documento é o

DATA DA ELABORAÇÃO DO DOCUMENTO: 11 SET 87

primeiro sinal de reaproximação entre os dois países desde 1985, quando TRÍPOLI fez uma aliança estratégica com TEERÃ, transformando-se, inclusive, em grande fornecedor de armas ao regime iraniano. A decisão líbia deixa o IRÃ ainda mais isolado no mundo árabe, onde passa a contar unicamente com o apoio da SÍRIA.

Contudo, as perspectivas de evolução favorável da crise continuam bastante remotas. Em vez de diminuir, as operações militares no "front" intensificaram-se nos últimos dias. Em nova escalada do conflito, o IRAQUE realizou dezenas de ataques aéreos a alvos petrolíferos e industriais iranianos em um único dia. As autoridades persas prometeram represália e por certo deverão ocorrer proximamente.

O que está claro é todo um mecanismo de pressão — política e militar — posto em marcha a fim de compelir o IRÃ a negociar a paz. Não se pode afirmar, ainda, se TEERÃ suporta a carga ou sucumbe às imposições.

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CARP. 135A

135 A/2

ENLACE ARGENTINO (2)

NO TIENE DOCUMENTOS

CARP. 135A

135 A/3

ENLACE CHILENO

(3)

NO TIENE DOCUMENTOS

CARP. 135B

135/B ENLACE DE CHINA REPÚBLICA POPULAR

ENTRE LOS Nos

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Pr. Chin.
Relaciones con paises de Europa Oriental.
RPCH

135/B.

CONFIDENTIAL

DATE: June 10, 1986

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Peip'ing Moves to Improve Ties with East Germany

Following the resumption of Peip'ing-Moscow dialogue, there was a quick thaw in Peip'ing-Berlin relations which had been frozen up for some 20 years, though the "normalization talks" are confined to "government-to-government" level.

It is generally believed that East German leader Erich Honecker would visit the Chinese mainland before long. If so, the visit could contribute to the elevation of Peip'ing-Berlin ties to "party-to-party" level.

East Germany froze its relations with the Chinese Communists in middle 1960s. A slight thaw was seen in 1982 when the two regimes started exchange of government officials.

At a Communist party conference held in April this year, Honecker mentioned the relationship between Peip'ing and Berlin for the first time, hoping that cooperation between the two regimes can contribute to world peace and security.

CONFIDENTIAL

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135/B

CONFIDENTIAL

DATE: November 4, 1986

SOURCE: Comprehensive Information

SUBJECT: Peip'ing Reaffirms Its "Three-self" Religious Policy

Brief Summary:

1. Hsi Chung-hsun, CCP politburo member in charge of religious affairs, has recently reiterated the "patriotic and righteous position" to uphold the "three-self" religious policy. The so-called "three-self" religious policy means "self-rule," "self-support" and "self-consecration of clergymen." The policy is externally designed to have religious organizations on the mainland breaking from those of foreign countries. Internally, religious activities must be confined within the Communist jurisdiction. What Hsi said about "patriotic stand" apparently means that religious believers must "love the Chinese Communist regime."

2. To maintain Communist rule and consolidate dictatorship, the Chinese Communists are stepping up their efforts to mobilize the masses of mainland society

by means of the so-called "patriotic united front." Peip'ing's reaffirmation to persist in the so-called "three-self" religious policy, represents part of its efforts to have religious work integrated into the said united front operations. So that party leadership may be further involved in religious affairs. Virtually, however, Hsi's remarks represent Peip'ing's new tricks in exercising control over and making use of the religion.

Commentary and Analysis:

1. Factors behind the move:

With the Chinese Communists partially relaxing control over religious activities on the mainland in recently years, the number of religious believers has been increasing annually. Worse yet, this development has led to CCP cadres and a vast number of mainland youths turning to religion in defiance of the CCP constitution and government regulations. Meantime, with the Chinese Communists striving to unfold religious united front operations, religious organizations on the mainland are being ordered to help develop relations with foreign countries. As a result, international religious organizations have succeeded in boosting their presence on the mainland. This development has not only led to party cadres renouncing atheism advocated by the Communists, but also estranged mainland society from Communist leadership. To meet the requirements of the current united front operations, however, the regime has found it necessary to adopt a more flexible measure by reaffirming its "three-self" religious policy instead of carrying out religious persecution. On the other hand, the regime has

stepped up its efforts to have more party leadership involved in religious affairs, and tighten its religious control by means of law and administrative order.

2. Truth of the so-called "three-self" policy:

(1) Outwardly, Peip'ing claimed that churches and other religious societies are run by religious leaders themselves. As a matter of fact, however, the regime has time and again stressed that "strengthening party leadership is the basic guarantee for successful handling of religious problems." At present, Peip'ing's official apparatus in charge of religious affairs include the CCPCC Department of United Front Work, Religious Affairs Bureau under the "State Council," 8 national religious organizations and 147 provincial and municipal religious organizations. All religious activities must first be referred to the Department of United Front Work for approval, then arranged by religious affairs bureaus at various levels and finally put into execution by the eight "imperial" religious organizations. Furthermore, added to religious organizations at various levels are "leading party groups" responsible for reviewing and making decisions on religious documents and

activities so as to carry through the principle that "religion must serve the party." Recently, both Hsi Chung-hsun and Buddhist Association President Chao Pu-ch'u have admitted that mainland religious work is being faced with the following problems:

A. Monks and nuns are not allowed to manage Buddhist temples and shrines.

B. Buddhist organizations are having difficulties in publishing and circulating religious books and magazines. Meanwhile, complimentary books and periodicals from foreign religious organizations are often confiscated.

C. With frequent government interference, mainland religious organizations exist only in name.

In view of the above, the so-called "self-rule" is only an empty talk.

(2) Ostensibly, Peip'ing claimed that religious organizations on the mainland used to support themselves for existence. As a matter of fact, however, all relig..ous activities are financed with "state" fund under the Communist ownership of means of production in

which all properties belong to the "state." Since all religious workers are paid by the "state," their fate is in the hands of Communist officials. In recent years, Peip'ing has issued orders to ban unauthorized spendings of "state" fund for constructing new churches and temples. Also, religious workers are banned from misusing religious revenue for personal purposes. However, some leading cadres installed their own cronies in temples or managed to get extra income from there. In dealing with international religious organizations, domestic donations to them are strictly prohibited. But incoming donations from religious organizations of foreign countries are only acceptable on condition that no strings are attached. Also, the Chinese Communists are reluctant to let foreign priests practice religion on the mainland, though they welcome donations from other countries. And no foreign donations can be drawn upon until prior approval is obtained from the Communist central authorities. Since mainland religious organizations can not shed vestiges of Communist control, the so-called "self-support" is nothing but a slogan.

3. To persist in the so-called "self-selection/consecration of clergymen," the Chinese Communists have

made it known in the regime's "constitution" that "no foreign churches and priests are permitted to intervene in the religious affairs of China." On the other hand, party members are asked to acknowledge the infiltration by imperialists' religious influence and guard against "religious aggression from foreign countries." Additionally, Peip'ing has occasionally ordered party members to play a leading role in religious activities. In this connection, the regime noted that though party members are not allowed to believe in religion, they are not considered as a qualified member if they "do not know how to use religion to control the masses and develop socialist revolution." Realizing that senility is posing a problem among aging religous workers, Peip'ing now permits various religious organizations to set up or reactivate "religious schools" as part of its efforts to cultivate the "double-purpose" talents who can render services both to socialism and religion. Meanwhile, by "self-selecting/consecrating clergymen," the regime may be able to have the ideology of Communism integrated into that of religion, thus solving the religious problem once for all.

Reference Data:

1. "Document Chung Fa No. 19 (1982)" issued by the CCP Central Committee.

2. Text of Speech by Chao P'u-ch'u at the 2nd Meeting of the 6th People's Political Consultative Conference, May 16, 1984.

3. Speech by Hsi Chung-hsun while meeting with representatives of the "4th Chinese Christian National Conference," Hsinhua News Agency, August 22, 1986.

4. Radio Lecture #6: "Persistence in Marxist Religious Outlook and Implementation of Freedom of Religion," broadcast by Peip'ing's Central Radio Station, August 29, 1986.

735/B RPett

CONFIDENTIAL

DATE: October 23, 1986

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Chinese Communists and North Korea Would Fight Side By Side: Commander Ch'in Chi-wei of Peking Military Region Emphasizes

1. Ch'in Chi-wei, commander of the Peking Military Region, led a delegation to visit North Korea for a period from August 19 to September 3 of 1986. When he met with Kim Il-sung and Kim's son, he emphasized that the Chinese Communists would support North Korea's unification policy. If war broke out again on the Korean Peninsula, he said, Peip'ing would fight side by side with Pyongyang as they did in the past.

2. While stressing the ever-lasting friendship between North Korea and the Chinese Communists, Kim Il-sung expressed his discontent to Ch'in with the current relationship between Peip'ing and Seoul. He also hoped that the Chinese Communists could increase military supplies to North Korea. What he asked for include:

(1) Helicopters produced by the Chinese Communists in their joint ventures with the United States and France.

(2) Anti-tank missiles, facilities manufacturing ground-to-air missiles, logistics supply facilities, aircraft maintenance facilities, and heavy-duty trucks.

(3) Assistance in exploiting natural resources, transfer of technology and financing.

CONFIDENTIAL

135/B R pet

CONFIDENTIAL

DATE: October 15, 1986

SOURCE: Comprehensive Information

SUBJECT: Chinese Communist State President Li Hsien-nien Visits North Korea

From October 3 to 6, 1986 Chinese Communist State President Li Hsien-nien and the delegation led by him were in North Korea on a visit. Included in his suite were Foreign Minister Wu Hsueh-ch'ien and Li Shu-cheng, Head of the Chinese Communist Party's International Liaison Department. Some details of the visit:

1. The why of the visit:

(1) North Korea boycotted the 10th Asian Games hosted by South Korea in an attempt to reduce the impact on it of the Games; yet the Chinese Communists sent their delegation of athletes aboard a chartered plane to Seoul to lend color to the South Korean pageant, which naturally irritated North Korea. As a result, Li and his group visited North Korea in time to show that Peip'ing was still backing Pyongyang in an attempt to defuse North Korea's discontent.

(2) North Korea's being a buffer zone between the Chinese Communists and the Soviet Union, Peip'ing is sensitive to any pro-Moscow traces shown by Pyongyang. In recent years, the Chinese Communists have constantly been in touch with South Korea at international conferences and sports matches and their indirect trade has also been on the increase. Apparently, Peip'ing and Seoul are defreezing their relations. Meanwhile, Pyongyang's moves to increase its relations with Moscow are interpreted by Peip'ing as signs that North Korea is alienating itself from the Chinese Communists in favor of the Soviet Union. To stem this possible trend, the regime had previously done its best to please North Korea as by sending high-level government officials to visit North Korea and supplying the other side with military and economic aid; the recent visit by Li was obviously a further step to draw North Korea to the Chinese Communist side.

2. North Korea's reactions:

(1) Kim Il-sung considered Li's visit as something "significant," indicating that the Pyongyang-Peip'ing connection is still unbreakable.

(2) Kim also showed gratitude for Peip'ing's backing of Pyongyang's proposal that the two Koreas and the United States hold a "trilateral military conference," and that the Korean Peninsula be declared a nuclear-free peaceful zone. He also said that he was grateful to the Chinese Communists for their support of North Korea's struggle to bring people's democracy to the peninsula and create a unified Korean Republic.

(3) Though North Korea is miffed over the defreezing of the relations between the Chinese Communists and South Korea, yet in view of the possible reconciliation between Peip'ing and Moscow and Pyongyang's current need to depend on Peip'ing, it is still doing its best to make the Chinese Communists happy.

3. Potential development:

The Chinese Communists will not relax their efforts to court North Korea and it is also unlikely that North Korea will irrevocably lean toward the Soviet Union. The subtle development of the triangular relations formed by Peip'ing and Pyongyang and Seoul can possibly stimulate South Korea to have more doings with the Chinese Communists, though predicably Peip'ing will stick with its cautious and low-profile stance.

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CONFIDENTIAL

DATE: November 13, 1986

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Serious Disputes Occurred in Chinese Communist "Pai Tai Ho Conference"

Reports had it that an expanded meeting of the CCP Central Political Bureau was held at Pai Tai Ho in August this year (1986) in which disputes occurred over the question concerning retirement of the senior cadres and the reform of political structure. The following is the relative situation thereof:

1. Retirement of the senior cadres:

Teng Hsiao-p'ing claimed that all of the first echelon cadres must retire step by step prior to the opening of the 13th Party Congress in 1987 and indicated that he would take the lead in announcing his voluntary retirement in the 6th Plenum of the 12th CCP Central Committee. His statement triggered the following pros and cons:

(1) The "conservatives" expressed objection, contending that Teng, being a helm operator of the party, should not retire before a new leader could be found.

(2) The "reformists" basically supported the retirement policy, but asked Teng to stay temporarily at the helm and let others go first.

(3) To avert a split, Teng decided not to retire but still insisted that all of the first echelon cadres must retire before the 13th Party Congress.

2. Reform of the political structure:

(1) Ch'en Yun expressed his objection to the implementation of the political restructuring at the present stage, contending: "The current reform of economic structure has left too many ill effects behind, which must be overcome first. Otherwise, the implementation of the political restructuring will only aggravate the existing illness. This does not help the party nor the nation."

(2) Po I-p'o endorsed Ch'en's view that the economic restructuring and the reform of political structure should not be implemented at the same time. Owing to their venement objections to the political restructuring, Teng decided to put it off for the time being.

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CONFIDENTIAL

DATE: October 2, 1986

SOURCE: Comprehensive Information

SUBJECT: Assessment on Peip'ing's Economic Situation In First Half of 1986

Brief Summary:

1. In terms of economic restructuring, the Chinese Communists came up with the principle of "consolidation, digestion, supplement and improvement" early this year. In this connection, the regime sought to concentrate on consolidation first before carrying the reforms another step forward. Plans for commodity price reform and establishment of the money as well as labor market were carried out on an experimental basis at a few localities. All these are bottlenecks Peip'ing can not achieve a breakthrough.

2. In terms of economic construction achievements, Peip'ing's industrial output in the first half of 1986 grew 4.9 percent, down sharply from the 23.1 percent growth rate achieved during the first half of last year. Apparently, the regime's over-heated economy has been put under control. The regime's grain production

increased by 3.14 million tons in the first half of this year as compared with the output in the same period of last year. The increase was attributed to additional investment in agriculture, expansion of negotiated price system, and increasing acreage of land for growing grains. In view of the above, Peip'ing's industrial and agricultural growth was achieved primarily by administrative intervention, which is an abnormal move so far as structural reforms are concerned.

Commentary and Analysis:

The Chinese Communists used to stress the need of increasing production by implementing the reform of economic structure. To have a clear picture of Peip'ing's current economic situation, it is necessary to understand its economic restructuring and the achievements of its economic construction. Details follow:

1. In connection with economic restructuring, the Chinese Communists brought up the principle of "consolidation, digestion, supplement and improvement" early this year, and sought to concentrate on consolidation first before carrying the reforms another step forward. On the other hand, plans for commodity price reform and establishment of the money and labor market were carried out on an experimental basis at a few localities. Meantime, bankruptcy experiences have been going on in some mainland cities including Shenyang and Wuhan where the first shutdown of a provincial factory was ordered, because it has been operating in the red. On the other hand, the regime has begun to implement the contract system for workers in "state-owned" enterprises. At present, the number of "contract workers" throughout the mainland accounts for 5 percent of the regime's

total industrial work force; but the move augurs the opening of labor market on the Chinese mainland. In view of the above, Peip'ing's economic reforms has apparently hit a snag.

2. With regard to achievements in economic construction, Peip'ing's industrial output in the first half of 1986 grew 4.9 percent, down sharply from the 23.1 percent growth rate scored in the same period of 1985. Apparently, the regime's overheated economy has been kept under control. Last year, the "reformists" came under fire by the "conservatives" for the sagging grain output which dropped 7 percent. However, the Chinese Communists succeeded in boosting their grain production by 3.14 million tons by increasing agricultural investment, expanding negotiated price system and making available additional arable land. This serves to show that the regime can still manage to enlarge the functions of centralized control. However, Peip'ing's current production structure still can not meet market requirements with one third of its products not up to standard. Also, the regime is facing a widening trade deficit. According to statistics released by Peip'ing's customs office, the regime recorded a trade deficit of US$6.37

billion in the first half of 1986. Meantime, the contract value of direct foreign investment on the Chinese mainland fell by 20 percent in the first six months of this year. All these factors would result in the slow growth of Peip'ing's economy.

<u>Reference Data</u>:

1. "Statement on Mainland's Economic Situation in First Half of 1986" by Peip'ing's 'State' Statistical Bureau spokesman Chang Chung-chi, <u>Hsinhua News Agency</u>, July 18, 1986.

2. Speech by T'ien Chi-yun at "Finance Work Conference," <u>Hsinhua News Agency</u>, August 5, 1986.

RPCH

135/B

CONFIDENTIAL

DATE: November 5, 1986

EVALUATION: B - 2

SOURCE: Comprehensive Information

SUBJECT: Chinese Communists Carrying Out All-out Party Rectification in Rural Areas

The Chinese Communists recently announced the party rectification in rural areas. After the preparatory arrangements for several months, the party rectification has now been in full swing. Related situations follow:

1. Situation of party rectification:

The party rectification in the rural areas will be started from this winter to the coming spring. Up to date, the party rectification in Hopei and Kueichow provinces has been accomplished, while that in Inner Mongolia and Ts'inghai provinces as well as T'ientsin has been half completed. So far, the party rectification work in urban and rural areas of 23 provinces and municipalities except Tibet has been started since October.

2. Major arrangements:

(1) To assign cadres to supervise party rectification:

The Chinese Communists had successively drawn almost 550 thousand cadres from various places to go to rural areas to supervise party rectification in the hope to reach the requirement of one cadre for one village or three for two villages.

(2) To proceed financial clearance work:

At present, the financial clearance work has been started in more than two hundred sixty-eight thousand and three hundred villages, to return the collective funds being corrupted and improperly borrowed and to prosecute the party members involved in serious cases according to the law.

(3) To reshuffle the leading group:

According to incomplete statistics of Pei-p'ing and 18 provinces including Heilungkiang, a reshuffle of more than eighty-one thousand and four hundred leading cadres involved in serious cases in the village party branches has been made.

Note:

There were more than one million village party branches and 20 million party members involved in party rectification in rural areas on the Chinese mainland. The number of party members involved was almost half of the total.

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135/TO

CONFIDENTIAL

DATE: June 27, 1986

EVALUATION: B - 2

SOURCE: Comprehensive Information

SUBJECT: Chinese Communists Increase Their Contact and Cooperation with Soviet Union

In the recent two months following the close of the 8th round of talks in April 1986 between Peip'ing and Moscow on the normalization of their relations the Chinese Communists and the Soviet Union had managed to keep in touch with each other despite the existence of "the 3 obstacles" claimed by the Chinese Communist side. The contacts and meetings in the past two months that were comparatively important are as follows:

1. Oleg A. Troyanovsky, Moscow's new ambassador in Peip'ing, took office on May 6. He was formerly the Soviet permanent representative at the UN and is now an alternative member of the central committee. The London Times commented on the appointment of Troyanovsky as "one of Moscow's moves to improve its relations with Peip'ing."

2. On November 22, 1985 Peip'ing and Moscow re-signed their treaty on consular affairs in which the two sides agreed to reopen respectively in Leningrad and Shanghai their consulates. Soon after the re-signing of the treaty the Chinese Communist State Council appointed Chang Chen consul-general in Leningrad. Since the Peip'ing-Moscow split in 1960 this was the first time the two regimes had agreed to reopen their consulates in each other's "country." It was reported that the Chinese Communists and the Soviet Union had also been conducting talks concerning Moscow's proposal to establish its consulates respectively in Shenyang and Harbin on the Chinese mainland.

3. The second annual meeting of Chinese Communist Society of Soviet and East European Studies was held in Wuhan from May 12 to 17, 1986; however, the names of the participants and proceedings of the meeting were not revealed. A Chinese Communist official source disclosed only that the participants had exchanged

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views on the Soviet Union and East Europe's economies and a number of theoretical matters and elected Wu Hsiu-ch'uan chairman of the Society.

4. A cooperation plan on cultural affairs in the Soviet Union and the Chinese Communists was signed on May 26 in Moscow by Mikhail Kapitsa, the Soviet deputy foreign minister, and Li Tse-wang, Peip'ing's ambassador in Moscow. According to this plan, from 1986 to 1987 the two regimes would cooperate in the exchange of personnel versed in science, education, cultural affairs, arts, movies, journalism, the press, radio and television, sports and health. This was the first cultural pact to come out between the two in more than two decades.

5. An agreement on oceanic shipping involving the Soviet Union and the Chinese Communists was signed on May 31 in Shanghai, according to which Moscow is obliged to aid Peip'ing in facilitating the loading and unloading at Chinese ports and expanding each other's transshipping capabilities. Moreover, the agreement stipulated that the Soviet Union open a shipping office in Shanghai and the Chinese Communists open a "steamship company's office" in Odessa.

6. A delegation representing Peip'ing's Chinese Academy of Social Sciences headed by the academy's deputy secretary-general Ting Wei-chih arrived in Moscow for talks with the delegation from the Soviet Academy of Science. On June 2 the two sides endorsed the minutes of the talks on scholarly exchange between the two regimes for 1986-87. Ting also met with P.N. Fedoseyev, deputy director of the Soviet Academy of Science and both expressed the wish to exchange the outcome of studies in social science.

7. At the invitation of the Soviet Women's Association, a delegation sent by the "Chinese Women's League" and led by Wang Shu-ch'in arrived in Moscow in early June. Apart from talks with chairperson of the Soviet Women's Association V.V. Tereshkova, a former female astronaut and currently a member of the Central Committee, and an interview with A.E. Voss, chairman of the Supreme Soviet of Nationalities, the delegation had an inspection tour of Latvia, Moldavia, Ukraine and Leningrad and did not return to Peip'ing until June 16.

8. The cooperation plan for 1986-87 drawn by the friendly associations of the Soviet Union and the Chinese Communists was signed in Moscow on June 18 by Yang Shou-cheng, deputy chairman of the "Sino-Soviet Friendly Association" (Pei-p'ing's former ambassador in Moscow) and S. Tikhvinsky, chairman of the "Soviet-Chinese Friendly Association" (a well-known old China hand in the Soviet Union).

The contacts listed above bespeak the increasing closeness of the relations between the Chinese Communists and the Soviet Union. Besides, the new batch of Peip'ing's high-placed star cadres, such as Li P'eng (vice premier of the State Council), Wu Hsueh-ch'ien (foreign minister), Yang Te-chih (chief of the general staff), Ch'in Chi-wei (commander of the Peking Military Region), Hao Chien-hsiu (secretary of the party central), and Ch'iao Shih (vice premier of the State Council), have either been early students in the Soviet Union where they had received the Soviet style of education or had maintained good friendship with the Soviets in the '50s. As all of them have been in key positions for some time now, they are certainly to have leverage on decision making in Peip'ing's foreign policy.

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RPCH

CONFIDENTIAL

DATE: November 7, 1986

EVALUATION: C - 2

SOURCE: Intelligence Report

SUBJECT: Chinese Communists Likely to Send Missiles to Nicaragua

According to reliable sources, the Chinese Communist attitude toward Nicaragua seems to have changed recently. In other words, the regime may give Nicaragua a satisfactory answer should the latter make a formal request for such military aids as the ground-to-air missiles, rockets, ordinary weapons, F-7 fighters, etc.

It is understood that when Ortega, the Nicaraguan President, visited Peip'ing in mid-September of this year (1986), he obtained a low-interest loan of US$20 million apart from signing with the Chinese Communists two economic and scientific cooperation agreements.

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CONFIDENTIAL

935/B

DATE: October 20, 1986

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Soviet Union and Chinese Communists Have Strong Intelligence Networks in United States

According to estimates of the U.S. Senate Intelligence Committee, about 450 Russians are engaging in spy work under the cover of diplomats, United Nations employees, tourists and American citizens. The Chinese Communists have also built up an intelligence network, hiring 1,500 diplomats, 15,000 students and 10,000 tourists to collect information.

Note:

This piece of information indicates that the United States has been monitoring closely Soviet and Chinese Communist spy operations in the United States and adopting countermeasures.

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735/B

DATE: October 20, 1986

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Performance of "Special Economic Zones" Said Unsatisfactory

Scholars and the people involved in the "special economic zones" in Shanghai recently pointed out that the opertions of the zones were not successful. Based on six years of experience and studies, they concluded that performance of the zones was "old-fashioned, bureaucratic, no breakthrough, no special treatment, lack of characteristics, no law, and no authority."

"Old-fashioned" means political and economic structures in the zones still follow those being practiced for over 30 years. "Bureaucratic" means management still lies in the hands of non-efficient bureaucratic agencies which have various red tapes and complicated document procedure. "No breakthrough" means various restrictions are still imposed by different government agencies in supervising the zones. "No special treatment" means preferential treatment in special economic zones is the same as that in "development zones" and "open areas." There is no special treatment for factories in the special economic zones. "Lack of characteristics" means except the zone in Hsiamen which is gradually adopting some free-port policies, other four zones have all proposed "open and multi-purpose" as their policy. "No law" means although the Chinese Communists have mapped various laws governing management of the zones, they have been unable to put them into practice. "No authority" means the zones have no independent authority. They have to seek approval from provincial or central government for management and minor issues. Even "red head documents" (central government papers) which grant authority have been retracted.

CONFIDENTIAL

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135/B

CONFIDENTIAL

DATE: November 4, 1986

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Chinese Communists Aid Sikkim Anti-Indo Organization With Weapons and Training

The Chinese Communists support Sikkim Anti-Indo Organization with weapons, economic aid and personnel training. Besides, a military training base for Sikkim Anti-Indo personnel has been established in the Tibet Military District. The trainees sneak across the border from time to time to the said training base in batches of three to five personnel each for a duration of 3 months. After the completion of training, the trainees sneak back to Sikkim to conduct underground sabotage. The purpose of Anti-Indo Sikkim sect is to strive for independence and autonomy, while that of the Chinese Communists is to put India in a turmoil by cradling the Anti-Indo force.

Note:

It was reported that the Chinese Communists had supported and trained the rebellious minorities (such as Naga) in the northeastern part of India to engage in the guerrilla warfare in cities. However, it is the first time that we learned of Pei-p'ing's support to the Sikkim's extremists.

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935/B

CONFIDENTIAL

DATE: October 7, 1986

EVALUATION: A - 1

SOURCE: Intelligence Report

SUBJECT: Comment on "Propaganda Newsletter" Published by Propaganda Department of CCP Kweichow Provincial Committee (with original text)

According to an intelligence report, the Propaganda Department of the CCP Kweichow Provincial Committee published a "propaganda newsletter" in August 1986 in which various latent problems were revealed as far as ideology and propaganda were concerned. The following is a comment thereon:

1. Main points:

(1) It was pointed out in the subject newsletter that the adolescent people had been victimized by serious erosion of corrupt ideas of capitalism and feudalism. Emphasis was being laid on immediate all-out efforts against the corrosive inroads of capitalism and feudalism. It was also pointed out that many people had made light of this trend and considered it useless to make a great fuss about it.

(2) Loss of confidence in and tiredness of the communist ideology:

A. People considered it "high-sounding" and "same old stuff" when the communism-inspired "spiritual civilization" was talked about, and some cadres even opposed the "four cardinal principles" openly.

B. Propaganda cadres felt abashed when they encountered unfavorable comments and would not even attempt to justify themselves. Some, with a view to pleasing others, would tone down to such a degree as not to make mere mention of the communist ideology, but were content to be in accord with "vulgar interest."

(3) Closing their eyes to the dangers of "capitalist liberalization":

On the ideological battlefront, there were generally confused appraisals of the dangers of "capitalist liberalization." Some refused to acknowledge the existence of "capitalist liberalization." Others thought it not so bad, but "to some extent progressive." Still others would be evasive, trying merely to eliminate the aftermath of the "Cultural Revolution," and ignoring totally the evil influence of the corrupt ideas of capitalist "freedom" and "democracy."

(4) Neglect of ideological education and obsession with unhealthy trends:

Party members of the masses were now taking the communist ideology lightly, believing instead "money is real," "idealism is empty," "reform is undertaking and undertaking is to make money," all of which were resulted in the myth of "money is omnipotent" and a "new unhealthy trend." This was the consequence of neglect of ideological education and must be rectified squarely.

2. Comments:

(1) A social survey was conducted among 3,027 students from 15 high educational institutions in the Wuhan area from April to June of 1986 by the Social Department of the CCP Statistics Bureau of the Hupei province and the Hupei Branch of the Kwangming Daily. Results indicated that the students were getting to be more practical each day, thinking only of themselves, and emphasizing "auto-device." Some preferred to remain "Tangwai forever," generally having doubt about the eventual realization of communism, and expressing apathy to the Chinese Communist motto that "human value is to offer and not to take." They opined that the Chinese Communist principle of "introduction, criticism, transferring technology and expelling pollution" vis-a-vis Western culture should be left to "free choice without restriction." In fact, the Chinese Communist "questionaire" had been devised mainly for the realization of their own wish, whereas the answers of the students reflected a tendency contrary to this wish. Taking these into account together with what had been revealed in the aforementioned document, it is obvious that the polarization of the Chinese Communist authorities and the thinking of the students and the public in general has been rather common.

(2) In the "6th Plenary Session of the 12th CCP Central Committee" the Chinese Communists launched the campaign for the "spiritual civilization," which was not only made to forestall the criticism of the "conservatives" but more importantly devised to solve the manifold problems, like the abandonment of Marxist values, the obsession with unhealthy trends, the loss of confidence in communist ideology, etc; all resulted from the adoption of economic reform and open-door policy. Amid the current mentality of "being realistic instead of idealistic" whether this campaign can produce some positive results will remain to be seen.

RPCH 135/B

CONFIDENTIAL

DATE: October 18, 1986

EVALUATION: B - 2

SOURCE: Comprehensive Information

SUBJECT: Organizational Structure and Major Tasks of Kwangtung Provincial "Department of State Security"

1. Placed under the direct command of the "Ministry of State Security" of the "State Council," the Kwangtung Provincial "Department of State Security" is responsible for foreign intelligence and counter-intelligence activities. The total authorized strength is approximately 4,000 personnel.

2. Under the Kwangtung provincial "Department of State Security," there are a department headquarters and three bureaus taking charge of intelligence work. Also placed under the department are five regional bureaus of state security respectively located at Shenchen, Chuhai, Swatow, Chanchiang and Hainan Island.

3. The First Bureau is responsible for collecting political, economic, cultural, and other documentary information, particularly that of science and technology. Among a number of offices under the First Bureau, the "Office of Southeast Asia" is responsible for the infiltration and intelligence work in Southeast Asian countries. Intelligence personnel to be despatched overseas are selected from among mainland-born residents loyal to the Communist party. Upon completion of intelligence training, they are sent out to mingle into overseas Chinese communities where pro-Peip'ing intelligence networks are formed.

4. The Second Bureau is responsible for protecting vital facilities and high-ranking cadres. Under the bureau there are 8 offices, of which the 4th Office is in charge of job-assignment in overseas regions including Southeast Asia. Added to the Second Bureau is the Intelligence Research Office in charge of evaluation, analysis and dissemination of information collected by various bureaus, and translation of intelligence material from English, Japanese, Russian, Siamese and Indonesian into Chinese, and vice versa.

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5. Charged with counterintelligence work, the Third Bureau is mainly responsible for investigating activities of foreign spies, placing foreign visitors under surveillance and censoring private mails and telegrams.

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CONFIDENTIAL

DATE: October 13, 1986

EVALUATION: B - 2

SOURCE: Comprehensive Information

SUBJECT: Chinese Communists Stick at Their Basic Policy In Support of Burmese Communists

Reports said that the Burmese minority groups' rebel army had recently come into contact with the Burmese Communists and proposed the establishment of a military alliance with the communists. Related details:

1. Relationship between the Burmese Communists and Burmese minority groups:

(1) There are 9 minority groups in Burma who, in pursuit of autonomy and for the sake of showing defiance to the Burmese government, have jointly organized a "National Democratic Front" along with a joint command headquarters to exercise control over the 3 northern, middle and southern guerrilla areas where military actions are often taken. These groups, however, are divided in their stands.

(2) After the establishment of the Front some members immediately suggested that a coalition structure like the one in Cambodia be established to coordinate guerrilla actions against the Burmese government.

(3) Since 1985 the Front had several times dispatched delegations to contact the Burmese Communists for negotiations on military alliance. The alliance proposal, however, was strongly opposed by the hard-core anti-communist Karen League, particularly by the chairman of the League, who, because the Burmese Communists refused to accept the high price he had charged for the passage of their drugs through the Karen area, also vetoed the proposal. Currently, as the Front members all have their own opinions, the Front is likely to face a split.

(4) The new-generation leaders of the Burmese minority groups are interested in practical gains and they hope

to expand their strength by smuggling and drug traffic. The Chinese Communists are likely to rely on the Burmese Communists to lure these minority groups with certain goodies and infiltrate into their organizations.

2. Relationship between the Chinese Communists and the Burmese Communists and Burmese government:

(1) The Chinese Communists look upon the Burmese Communists as their peripheral defense line and to give support to the Burmese Communists they can afford to be less worried about the security problems in the border areas. With this in mind, the Chinese Communists have since January 1986 resumed their military aid and moral support to the Burmese Communists.

(2) On his visit to the Chinese mainland this past March, Burmese Prime Minister Maung Maung Kha strongly protested against Peip'ing's continued support of the Burmese Communists and the resumption of their radio station's operations; the Chinese Communists, however, explained that such support was only an inter-party affair not within the jurisdiction of the government and the government was therefore not in a position to look into the matter.

(3) The Burmese Socialist Program Party had hoped to enhance its party-to-party relations with the Chinese Communists -- on the condition that the Chinese Communists must cut off their relations with the Burmese Communists; the Burmese ruling party had originally tried to invite Hu Yao-pang to visit Burma, yet as the Peip'ing regime resumed its aid to the Burmese Communists the invitation was consequently cancelled.

135/B RPett

CONFIDENTIAL

DATE: October 22, 1986

SOURCE: Comprehensive Information

SUBJECT: Analysis of Round 9 "Normalization of Relations" Talks Between Peip'ing and Moscow

The 9th round of talks for the "normalization of relations" between the Chinese Communists and the Soviet Union was held on October 5-15, 1986 in Peip'ing between CCP Vice Minister Ch'ien Ch'i-ch'en and Soviet Foreign Minister Igor Rogachev. The following is an analysis thereof:

1. Special features of the talks:

(1) Soviet negotiator changed:

The new Soviet negotiator Rogachev, 54, having just succeeded Kapitcha as Vice Foreign Minister, is one of Gorbachev's trusted men and knows well "China's affairs." This personnel line-up indicates that the Soviet foreign office is now actively pushing ahead Gorbachev's new Peip'ing policy. The atmosphere in the talks was said more relaxing than before.

(2) Unusual international background:

The talks were held at the time when U.S. Defense Secretary Weinberger was visiting Peip'ing and Reagan and Gorbachev were meeting each other in Iceland, showing for the first time that the three held talks for the improvement of their bilateral relations at the same time.

(3) Scope of the talks expanded:

In the past, the Soviet Union has always dodged the discussion of the "3 obstacles" raised by the Chinese Communists by saying that it would involve the interests of a third country. However, the Soviet Union backed down this time and agreed to have it discussed in the talks. In the meantime, agreement was reached to resume the "border talks" in next February. All of these symptoms therefore indicate that the substance of the talks has been increased.

2. Significance shown:

(1) As far as the Soviet Union is concerned:

Generally speaking, the peace offensive Gorbachev has initiated since assuming power is global wide. However, judging from what the Soviet Union has done recently, including its repeated promise to help the Chinese Communists rebuild the industrial plants, its countenance given to East European countries to develop relations with Peip'ing and its own efforts in trying to accommodate the "3 obstacles," it is quite clear that the Soviet Union still considers the improvement of its relations with Peip'ing more important and also wants to use Peip'ing as a balance against the United States in the contest for world supremacy.

(2) As far as the Chinese Communists are concerned:

As this round of talks has given Peip'ing more advantages and caused the United States more concerns, it is quite evident that both the United States and the Soviet Union will hereafter double their efforts in winning over Peip'ing, thus reflecting that Peip'ing's non-attachment policy has yielded results and that Peip'ing will continue to advance its "independent" diplomacy.

3. Possible development:

(1) On the side of substantive relations:

As the economic, technological and cultural cooperation between Peip'ing and Moscow has been steadily expanding, it indicates that in order to meet the mutual demand for economic reform, both sides have taken the development of the substantive relations as their established policy.

(2) On the side of political relations:

As a result of the gradual expansion of the substantive relations, the exchange of letters between the "premiers" of both sides and the scheduled visits to East Europe and Moscow in the first half of 1987 by Chao Tzu-yang and Wu Hsueh-chien, the dimension of their contacts in the political realm will be expanded.

(3) On the side of party relations:

Considering that it will still take a considerable time for Peip'ing and Moscow to reach a compromise on the "3 obstacles" and that the Chinese Communists will be cautious not to over-expand the relations with Moscow for the sake of maintaining the in-flow of U.S. and Western aids, it is believed that there is still a difficulty for them to get the party relations normalized within a short period of time.

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CONFIDENTIAL

DATE: October 29, 1986

SOURCE: Comprehensive Information

SUBJECT: General Analysis of Recent Successive Visits to Chinese Mainland by Chiefs of East European Countries

Since the end of September 1986, the chiefs of East European countries have visited Peip'ing one after the other, indicating that the achievement they have made in the improvement of relations with Peip'ing is greater in extent than what the Soviet Union has made so far. The following is an analysis thereof:

1. Situation of the visits:

(1) Polish Communist chief Jeruzelski visited the Chinese mainland September 28-30, 1986. Apart from holding talks with Teng Hsiao-p'ing and extending invitations to Hu Yao-pang, Chao Tzu-yang, Li Hsien-nien and others, he signed with the Chinese Communists a "Cooperation Agreement on Culture and Science." Besides, he was addressed as "comrade" in the joint communique, indicating that the two sides have resumed their party-to-party relations.

(2) East German Communist chief Honecker visited the Chinese mainland October 21-26, 1986. During his visit, apart from holding talks with and extending invitations to Hu Yao-pang, Li Hsien-nien, Wu Hsueh-ch'ien, Li P'eng and Teng Hsiao-p'ing respectively, he signed with the Chinese Communists a "Long-range Cooperation Agreement on the Development of Economy and Science" and a "Protocol Concerning Exchange of Goods and Payment for 1987." When calling on Teng Hsiao-p'ing, Honecker said, the development of relations between the Chinese Communists and East Germany and the East European countries was a basic course of action. While agreeing with this, Teng said with emphasis that in so far as the relationship of their two parties were concerned, the matter was not to resume it but how to keep developing it, because it had never been broken up, indicating that both sides will hereafter accelerate their cooperation in the political, economic and cultural fields.

(3) Thus far, the deputy prime ministers and the deputy chairmen of Bulgaria, Hungary and Czechoslavakia have all

visited the Chinese mainland. It is learned that the heads of all these states will follow suit before the end of 1986.

2. Significance shown:

(1) As far as the Soviet Union external policy is concerned:

The visits to the Chinese mainland by Jaruzelski and Honecker were made immediately after Gorbachev announced his "New Asian-Pacific Policy" at Vladivostok on July 28. Before returning home, Jaruzelski went to Moscow to report about the visit. Then, Honecker went to Moscow asking for instructions before his visit to the Chinese mainland. All of these activities show that their respective visits were arranged under Soviet approval in advance. They also indicate that the Moscow has been considering the mending of relations with Peip'ing and putting the communist camp in order as the most important strategic objective, hoping, with these stakes in hands, it can get a better position in the global competition with the West.

(2) As far as the execution of the Chinese Communist strategies is concerned:

The Chinese Communists have claimed in recent years that they will conduct a so-called full·azimuthal diplomacy. Therefore, the resumption of party-to-party relations and expansion of economic and technological cooperation with the East European countries that are pro-Moscow can not only help them clarify the internationally circulated talks that they have leaned heavily toward the West, but also help them use the experience and technology of East European countries to accelerate the development of their "four modernizations."

(3) As far as the East European countries are concerned:

Hindered by the communist system and obstructed by the Soviet Union, the East European countries have been running into the economic problem for many years in the past. Despite the recent increase of trade with the West, it is still difficult for them to be free from poverty. Now, unleashed by the Soviet Union to look for closer ties with the Chinese Communists, they think

that they may have opened up a new avenue just in time to relieve their economic difficulties.

3. Possible consequence:

(1) In view of the current cordial relations existing between the Chinese Communists and the East European countries, it is believed that the resumption of party-to-party relations will continue to take place and the contacts, including governmental contacts, will continue to be made. This situation will indeed help further improve Peip'ing-Moscow relations.

(2) For a long time the East European countries have been used by the Soviet Union as chips to contend for world hegemony with the United States on the one hand, and as faithful partners in the struggle for world communist leadership with the Chinese Communists on the other. Now, it seems that the Soviet Union has loosened its grip on the East European countries by letting them get closer with Peip'ing. However, it still can tighten up the control of its satellite countries by way of the "Warsaw Pact" and the "Council for Economic Mutual Assistance" organizations.

135/13 RPCH

CONFIDENTIAL

DATE: November 3, 1986

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Problems Existing in Development and Transfer of Science and Technology as Surveyed by Center for Promotion, Development, and Research of Science And Technology Under Peip'ing's State Science And Technology Commission

The Center for the Promotion, Development, and Research of Science and Technology under Peip'ing's State Science and Technology Commission recently surveyed and analyzed the relevant situation concerning the reform conducted for the scientific and technological system. The Center admitted that the transfer of the gains in science and technology on the mainland relies mainly on the original scientific and technological reserves. There are quite a number of problems existing in the development of new technology, seriously affecting the transfer of scientific and technological gains in the future, as well as being disadvantageous to the development of the regime's productivity.

1. The enterprises lack the economic power that promotes technological advances:

According to a survey on 139 enterprises, the funds for enterprise technology development of a plant occupy too low a proportion. The development funds in the four industries of metallurgy, chemical engineering, machinery, and electronics are, respectively, o.5 percent, 1.1 percent, 1 percent, and 5.5 percent, while the average standards in identical industries in foreign countries are, in the same order, 1.5 percent, 3.3 percent, 4.5 percent, and 10 percent. The shortage of development funds is indeed the primary factor that affects the advances of technology.

2. The auto-innovation mechanism in the enterprises has not yet been formed:

The innovative power for technology in an enterprise is formed as a result of market competition on the part of

the enterprise. The development funds for enterprise in a foreign corporation are mostly used in developing new products and improving existing products. The Chinese mainland is facing pressures of staggering sales of its products. The enterprises that need to develop new products constitute only 11 percent of the enterprises under survey. The majority of the enterprises still find themselves in a situation without intrinsic power. At the same time, enterprises themselves on the mainland have very limited capacity for technology development. Technical personnel occupy a rather low percentage in the total number of employees. Their basic conditions are backward, too.

3. The innovative capacity for industrial technology in specialized research institutes is weak:

According to the survey, with regard to the technological gains offered by specialized research institutes on the mainland, 77.4 percent of the big enterprises consider their standards merely "ordinary," 19.4 percent consider them "not high," only 3.2 percent consider them "relatively high." Among the medium and small enterprises, 12.8 percent consider them "relatively high," 59 percent consider them "ordinary," 28.2 percent consider them "not high." In addition, 75.9 percent of the big enterprises and 71.1 percent of the medium and small enterprises expressly indicated their weariness in accepting the new technologies from research institutes.

For this reason, 63 percent of the technologies employed by big enterprises is developed by themselves; 19.8 percent is jointly developed with research institutes (including institutes of higher learning); while only 6.4 percent receives technologies directly from research institutes (including institutes of high learning), less than the 7.7 percent that import technologies from abroad.

4. Enterprises lack lateral technology exchange and diffusion:

Technology diffusion plays an important role in the transfer of technological gains in enterprises. However, because of the restrictions of central ownership and local ownership on the mainland, the enterprises especially lack professionalism and social coordination; as a result, technological exchanges are difficult. In the technologies already acquired, those offered by

identical plants constitute only 3.1 percent with respect to origin of technologies among big enterprises; and merely 7.7 percent among medium and small enterprises.

5. Divergences of obligations, rights, and interests exist in technology transfer:

The Chinese Communists admit that a rather substantial portion of technology transfers failed because the two sides concerned differed on the obligations, rights, and interests in technology transfers. Many research institutes are business-oriented; they lack a sense of responsibility in jointly shouldering risks. 38 percent of the big enterprises and 62 percent of the medium and small enterprises consider the technology transfer prices too high; conversely, 90 percent of the research institutes consider them too low. At the same time, there is a lack of relevant laws, regulations, and policy, as well as necessary technological arbitration organs. As a result, in the fulfilment, supervision, and profit-sharing of a technology contract, many disputes occur.

Filipinas

735/B

CONFIDENTIAL

DATE: October 15, 1986

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: "People's Power Movement Party" Formed in Philippines

1. As disclosed by the Philippine Agriculture Minister Ramon Mitra on October 7, 1986, the "People's Power Movement Party" would be formally inaugurated on October 15, 1986 by President Corazon Aquino.

2. Organized by the closest advisers of President Corazon Aquino, the party will be chaired by Justice Minister Neptali Gonzales, and a number of current cabinet members will become its members.

3. The party will nominate candidates in the next general and local elections scheduled to be held in May 1987.

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CONFIDENTIAL

DATE: October 15, 1986

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Annual Conscription Started by CCP

1. Conscription period:

   October 10 to November 30, 1986.

2. Conscription targets:

   (1) Rural areas:

   Male graduates from junior middle schools or above and from sufficient labor force families are subject to conscription. Liberalized policy is adopted toward the minority regions, offshore islands and remote countryside areas where primary school graduates may be accepted.

   (2) Cities:

   Graduates from senior high and vocational schools of the current year and of the last year are subject to conscription. State-operated factories, enterprises and business units may enlist part of them.

   (3) Female youth:

   The current year graduates.

3. Age limit:

   The male between 18 and 20 years of age and the female between 18 and 19 years of age are eligible.

4. Physical condition:

   Height should be over 160 cm, weight, over 45 kg and eyesight, over 1.0.

5. Resettlement:

The municipal governments shall be responsible for the resettlement of the county unemployed youth. Those conscripted on the post shall be, in principle, given back the post.

135/B RPCH

CONFIDENTIAL

DATE: October 7, 1986

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: American Businessmen's Interest on Chinese Mainland Markedly Wanes

According to a news correspondent in the United States from the Chinese mainland, American businessmen's interest on the Chinese mainland has markedly waned. Two illustrative examples of this:

1. In April and November 1985 an institute called Rock Creek Research in Washington twice hosted a Forum on Chinese Communist Economy and invited renowned sinologists to come to discuss and speak at the meeting. For each forum the institute issued 2,000 advertising letters, yet those who actually attended each forum numbered only over 40. In July 1986 the same institute again hosted a similar forum along with the issuance of 9,000 advertising letters, yet only 15 showed up at the meeting and as a result the forum was cancelled.

2. SAND P, the top-notch U.S. company that publishes all sorts of directories, sent somewhere between May and June 1986 advertising letters to over 10,000 American businesses that were supposed to have interest in trading with or investing in the Chinese mainland and asked them to advertise themselves in a directory (to be published on the Chinese mainland), yet only a little more than 40 of the businesses said they would do it.

Note:

Since the Chinese Communists opened up to the outside world the interflow between the regime and the United States has been great and each year American tourists and businessmen who go to the Chinese mainland number over 200,000. The irony is that the more they know the mainland at first hand, the less interested they are in doing business there. The so-called "China Fever" is apparently no longer what it used to be in terms of intensity.

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DATE: October 9, 1986

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Situation Concerning Peace Talks Between Peip'ing-Backed Burmese Communists and Burmese Government

According to an intelligence report, during his visit to Burma in early 1985, Peip'ing State President Li Hsien-nien assured the Burmese Government that beginning July 1985 the Chinese Communists would cease supplying the Burmese Communists and other anti-government rebels in Burma with military aids.

In June, 1985 a 12-man Burmese Communist delegation, accompanied by one Chinese Communist Embassy official, arrived in Rangoon for peace talks with the Burmese Government. The following is the contents of the talks:

1. The Burmese Government wanted the Burmese Communists to dissolve the people's government at Kuogan, abolish the designation of the troops and hand over 500 rifles and 100 heavy and light machine guns to the Government. As the Burmese Communists had much more of these kinds of weapons than what the Government asked for at that time, they accepted this request.

2. The Burmese Government wanted all units of the Burmese Communists to stop making drugs in the areas of their occupation within one year after signing the peace agreement and stop planting poppies and hemps within two years after signing the peace agreement. The Burmese Communists, however, insisted that they would not stop making drugs until after three years and that they would not stop planting poppies and hemps until 1994 but could gradually reduce the area of plantation before that time. As the opinions expressed by the Burmese delegates at the talks were in fact the ideas set forth by the Chinese Communists in a consultation meeting held before the delegation left for Rangoon, no compromise could have been reached over these matters.

3. Owning to the failure to reach an agreement over the economic issue (producing drugs and planting poppies), the subject talks finally broke down except that both sides agreed to observe the principle of "non-aggression." That is, the Burmese Communists would restrain their men from mining and sabotaging highways, attacking Government troops and ransacking properties and the Burmese Government would likewise stop attacking the Burmese Communist troops. Since no time-limit was set to this principle, should whichever side violate it, the whole agreement would become a piece of scrap paper.

Remarks:

1. Despite the Chinese Communist promise to stop supporting the Burmese Communists with military aids, the support is still being proceeded under cover. In April, 1986 the Chinese Communists gave the Burmese Communists a considerable amount of military supplies and equipment in exchange of opiums. In or around August 1986 the Burmese Government army cracked down a bulky amount of weapons and documents, which belonged to the Burmese Communists. As indicated in thedocuments seized, the Chinese Communists have not only failed to honor the agreement they reached with the Burmese Government before of not supplying the Burmese Communists with military aids but, on the contrary, have secretly increased the amount of it. As a result, the Burmese Government has now closed the border and placed it under military control. All travellers, businessmen and goods going through the border gate must be thoroughly checked before release.

2. A group of about 400 Burmese Communist soldiers accompanied with traders left Panshan for Chin Tung in early August with the intention to make deployment along the border with Thailand. But they were ambushed by the Government troops near Chin Tung on August 8 and suffered heavily. Later, it was found out that their group leader came from Pao Shan of Yunnan province and that several Chinese Communist advisers respectively of Kwangtung and Szech'wan provinces by origin were travelling among them.

3. The Chinese Communists have set up a training base and a hospital at Monglien in Yunnan province to help train the Burmese Communists and, in the meantime, induced the runaway young criminal offenders to join the Burmese Communist forces and atone for mistakes by meritorious service.

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CONFIDENTIAL

DATE: October 7, 1986

EVALUATION: C - 3

SOURCE: Intelligence Report

SUBJECT: Thai Police Crack Down Several Weapon Smuggling Cases near Border with Cambodia

According to an intelligence report, several major weapon smuggling cases were cracked down by the Thai police at Rayong of Chantha province near the border with Cambodia in June and July this year (1986).

As these weapons, which were about to be smuggled into Thailand, were similar to those given by the Chinese Communists to Cambodia, the Thai commander in chief, having already expressed concerns over this matter, assumed that it was but another means of the Chinese Communists to support the Thai Communists.

At present, the Thai police has stepped up their investigation of the subject smuggling cases on the one hand and kept a watchful eye on the activities of the Chinese Communist visitors on the other. In addition, the Chinese expatriate organizations as well as the leaders of the Chinese expatriate communities in Thailand have been asked to submit for police reference the names of those who have entertained the Chinese Communist visitors in the past.

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DATE: October 1, 1986

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Youths on Chinese Mainland Lose Faith in Communism: Hu Yao-pang

In an interview with reporters of The Washington Post and Newsweek on September 23, 1986 in Peip'ing, Hu Yao-pang, General Secretary of the Chinese Communist Party, talked about the economic reforms, the mentality of youths on the mainland and relations between the Chinese Communists and the Soviet Union. The main points of Hu's remarks were as follows:

1. Problems encountered in the reform of the economic system:

(1) The greatest problem encountered by the regime in its efforts to give teeth to the "Four Modernizations" is that the Party's Central Committee and local cadres in charge of party and administrative affairs, whatever their ranks, have meddled too much in day-to-day economic affairs, which has seriously slowed down the steps of reform. On the other hand, many of the party and administrative cadres are undereducated and lacking in professional knowledge and their incompetency has become the stumbling block in the reform of economic structure.

(2) There is still resistance originating from within the party; however, the Administration is bent on pushing its reform of economic structure, including the infusion of foreign investment as this would add to the economic functions of the free market within domestic economy.

(3) The next step to take in the economic reforms is to implement the policy of free pricing, which will be the most difficult of all the steps to take to effectuate the economic reforms. The year 1987 will see the practice of this new pricing policy.

2. Problems concerning the mentality of the young:

The younger generation has lost its faith in communism, which is a phenomenon not only observable on the Chinese mainland but throughout the world. It is a fact that the image of socialism has remained poor over the years; if one chooses to probe into the causes, one can cite the tardy economy development and faults respecting democracy and human rights.

3. Relations with the Soviet Union:

The Chinese Communists are ready to have talks with the Soviet Union on border disputes, and by basing their argument on Gorbachev's recent series of speeches indicating Moscow's willingness to mend its relations with Peip'ing they will try to settle the controversial issue of making the steamships' main navigational channel in the Ussuri River the border line between the two regimes.

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DATE: June 9, 1986

EVALUATION: C - 3

SOURCE: Intelligence Report

SUBJECT: Chinese Communists Lobby Laotian Resistance Leader Joining Pro-Peip'ing Front

In mid-March 1986, the Chinese Communists sent Huang Yung-feng, a Laotian refugee of Chinese ancestry, from the Chinese mainland to southern Thailand to establish contact with Laotian resistance guerrillas and convey Peip'ing's instructions. Later, Huang paid a visit to Chao La, a regional commander of the Laotian Liberation United Front headed by Wang Pao. Then Huang persuaded Chao to dissociate himself from the liberation front led by Wang and join the "New Laotian Neutralist Front" led by a pro-Peip'ing element Chao K'an-p'ing. Also, Huang offered to invite Chao La to visit the Chinese mainland on behalf of the Peip'ing regime. Chao declined Huang's offer under the excuse of old age, but promised to let his son take the trip to the mainland on his behalf.

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EXCHANGE OF INFORMATION
CONTENTS

CONFIDENTIAL

DATE: September 22, 1986

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Peip'ing's Vice Premier Li P'eng Encounters Bitter Attack from All Round Recently

According to an intelligence report, Peip'ing's Vice Premier Li P'eng has suffered severe attack from all round recently due to his taking charge of construction projects of a hydraulic power plant at the Yangtse Gorges and an atomic power station at Ta Ya Wan. The following is the relative situation thereof:

1. Li was charged with the responsibility to head the construction projects of the hydraulic power plant at the Yangtze Gorges and the atomic power station at Ta Ya Wan. The former project has temporarily been suspended as a result of strong opposition from the academic circle, because there wasn't enough evidence to support the feasibility of the project. The latter has touched off an unprecedented strong protest from the residents in Hongkong and almost tarnished Li's political reputation.

2. Renowned specialists and scholars on the mainland today like Ch'ien Chia-chu, Fei Hsiao-t'ung, Ch'ien Hsueh-sen and others were all dissatisfied with Li's work style, as they believed that these matters had actually involved the "state fiscal administration and people's livelihood," and that Li should not have done it too carelessly. Part of the party senior cadres also criticized Li of loving to show off, doing things without following proper procedures and taking command blindly. Above all, they labeled him "the second Hua Kuo-feng." They once even wanted to take such a step as to sign a joint petition to the party central, indicating their opposition to Li's continuously staying on the present post as Vice Premier, and particularly his candidacy for the premiership.

Li, son of a Chinese Communist "revolutionary martyr," Li Shuo-hsun, was raised up by Chou En-lai since his childhood. He was elected chairman of the Chinese students association in the Soviet Union while studying in Moscow's power academy in 1948. After return, he spent quite a long time in the hydroelectric department

until June 1983 when he was promoted from the post of Vice Minister of Hydroelectric Power Industry to the post of Vice Premier of State Council. As being an offspring of a senior cadre and having possessed specialized knowledge, Li quickly became the de facto leader of the "Soviet-returned" faction in the power hierarchy. For years rumor has had it that Li would succeed Chao Tzu-yang as the premier when the latter's term of office expires in 1987. This has easily incurred jealousy of his opponents in the party and thus become the main target of their attack.

DATE: September 17, 1986

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Three Channels of Marketing Opium by Communist Cadres In Yunnan Province

It is reported that in recent years, the situation of planting poppy and marketing opium in Yunnan province was rather terrible, and a number of cadres directly took part in profiteering. The local Communist authorities had demanded banning this unlawful practice but they were never seriously doing so, and some cases of selling narcotic drugs plotted by Communist cadres were not dealt with even they were discovered. It is noted that there are the following three channels of marketing opium:

1. Export through the golden triangle around the borders of Vietnam, Burma and Thailand for resale to the international narcotic drug dealers so as to cheat others since the opium produced in the said area is well-known.

2. Trade in the fishing vessels on the high seas, namely, shipping opium to the coast region of southeast China wherefrom it is shipped by fishing vessels or merchant ships to the high seas where it is sold to international drug dealers.

3. Export to Hongkong by freighters in pretence of opium as merchandise for export sales. Recently there was a land traffic, namely, the drivers of containers to and from Hongkong and Canton smuggled opium to Hongkong by means of collaborating with the customs personnel at Man Kum Pier, Sha Tau Kok, Hongkong.

DATE: September 17, 1986

EVALUATION: A - 2

SOURCE: Documentary Information

SUBJECT: Chinese Communist Sci-tech Intelligence Workers Totalling 68,000

Wang T'ing-chiung, Chief of Peip'ing's Intelligence Bureau under State Scientific and Technological Commission revealed recently: the regime has had a better scientific and technological intelligence operations organizational system which consists of more than 3,800 various sci-tech intelligence agencies with more than 68,000 employees engaged in intelligence collection, transmission, research and service. They have collected more than 30,000 periodicals of science and technology published at home and abroad, more than 24,000,000 articles of scientific and technological information, and more than 100,000,000 copies of patent literatures at home and abroad. The Chinese Communists have published more than 500 scientific and technological periodicals including 200-odd index publications.

CONFIDENTIAL

DATE: September 12, 1986

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Chinese Communists Extend Covert Support to Burmese Communists

The Chinese Communists are secretly helping the Burmese Communists to conduct infiltration and subversive activities by financing arms purchases for the Burmese Communists through some civilian firms.

In April 1985, Peip'ing closed the Yunnan-based radio, the "Voice of Burmese People." But the said radio station resumed its operation in February this year. This serves to show that Peip'ing's covert support to the Burmese Communists is still going on.

CONFIDENTIAL

DATE: September 17, 1986

EVALUATION: B - 2

SOURCE: Comprehensive Information

SUBJECT: Ties Between Chinese Communists and Czechoslovakia Gradually Enhanced

Although Peip'ing's relationship with Czechoslovakia is not so close, the regime has increased, however, its contact with the latter since the beginning of last summer. The information concerned indicates the following contacts:

1. In April:

Chairman of the Czechoslovakian Chamber of Industry and Commerce led a mission of the said chamber to visit Peip'ing where they met and held talks with Sung P'ing, member of the Chinese Communist State Council.

2. In May:

Sung Chien, member of Peip'ing's State Council and concurrently Chairman of the State Scientific and Technological Commission, visited Czechoslovakia where he talked with Czechoslovakian vice premier and concurrently chairman of State Scientific and Technological Commission, and signed an Agreement for the Cooperation between both Commissions, a Memorandum of Executing Items set forth in the Outline of Scientific and Technological Cooperation for 1986-1990, and a Summary of Chinese Communist Visiting Mission of Science and Technology to Czechoslovakia. Sung Chien had an interview with Czechoslovakian Premier Lubomir Strougal to whom he emphasized common effort to further develop the relations of political, economic, scientific, technological and cultural cooperations between the two regimes.

3. In May:

Ku Ying-chi, Peip'ing's Vice Minister of Public Health, led a delegation of public health to visit Prague and held talks with vice chairman of Czechoslovakian Parliament, and Matej Lucan, Czechoslovakian Vice Premier. They arrived in

Czechoslovakia on May 21 for a 40-day visit and returned to Peip'ing at the end of June.

4. In May:

Invited by the Chinese Communist "China Aviation Campaign Association," chairman of the Czechoslovakian International Aviation Federation arrived in Peip'ing on May 19, and went to Chengchow, Sian and Ch'engtu where he visited a Chinese Communist aviation school and observed a parachuting demonstration.

5. In June:

Lu Tung, Chairman, Chinese Communist "State Economic Commission," led an economic mission to visit Prague on June 7 and talked with first vice chairman of Czechoslovakian State Planning Commission for further expansion and enhancement of economic and technical cooperation between the two regimes, and signed a summary of talks on June 12.

6. In June:

"Chinese Children's Books Exhibition" from the mainland was shown in Prague for the first time in line with the "Sino"-Czechoslovakian Cultural Interflow Program and sponsored by Czechoslovakian Ministry of Culture. A total of more than 500 volumes of books in Chinese, English, Russian, German and Esperanto were offered by Peip'ing's "China International Books Trading Company" for this display.

7. In August:

A 22-member Chinese Communist Women Volleyball Team arrived in Prague on August 25 to take part in the 10th World Women Volleyball Tournament sponsored by Czechoslovakia.

8. In August:

Eduard Saul, Czechoslovakian Minister of Metallurgical Industry, arrived in Peip'ing for a talk with Li P'eng, Chinese Communist Vice Premier, and visited the 2nd Power Station jointly set up by Czechoslovakia and the Chinese Communists at Shentou, Shansi where he indicated that Czechoslovakia intends to cocperate with the regime in the fields of metallurgy,

processing industry, locomotive and vehicle manufacturing, power and chemical engineering.

9. What is most eye-catching is that Rudolf Rohlicek, Czechoslovakian First Vice Premier, arrived in Peip'ing for a formal visit on September 7, met Chao Tzu-yang and Li P'eng, indicated to develop bilateral economic relations, and emphasized developing political relations between the two regimes in line with the principle of mutual respect.

10. There is a long-term trade agreement for 1986-1990 between Peip'ing and Czechoslovakia. It is estimated that in the next 5 years, the trade volume between the two regimes will be 4,500,000,000 Swiss francs (about US$2.1 billions).

11. On September 3, Yoshikatsu Takeiri, Chairman, Japanese Komei Party, met Teng Hsiao-p'ing in Peip'ing and made mention of Chinese Communist relations with the Communist nations in eastern Europe. Teng said, "Our general estimate is to regard eastern and western Europe as a power to keep peace. We develop relations with the countries in eastern Europe in line with such a cognition and estimate, and we and eastern European countries are sincerely developing this kind of relations."

Note:

According to a report by Der Spiegel Weekly in West Germany on September 2, Czechoslovakian Secretary General and President Gustav Husak will visit Peip'ing after East German Honëcker Hungarian Kadar and Polish Jaruzelski visited the Chinese mainland. In view of the above, Chinese Communist relations with the Soviet bloc in eastern Europe are varying with the Peip'ing-Moscow relations.

DATE: September 22, 1986

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Rebellious Activities of Filipino "New People's Army" Have Infiltrated into Cities from Countryside

The Philippine military authorities arrested two Communist suspects who confessed during an interrogation that they are subordinated to the "Sparrow Action Detachment," Liquidation Group, Philippine Communist "New People's Army." In addition, it is detected by the Philippine military intelligence personnel that the "New People's Army" has set up a surveillance station at a civil building only 50 meters away from the Philippine Department of Defense.

Note:

Enrile, Philippine Minister of Defense, recently warned repeatedly that the rebellious activities of the "New People's Army" have infiltrated into cities from the countryside. The foregoing information can certainly confirm that it is true.

CONFIDENTIAL

DATE: September 17, 1986

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Highlights of 18th ASEAN's Economic Ministers Conference

The ASEAN's economic ministers met for their 18th meeting August 28-30, 1986 in Manila. The meeting ended with a press release, of which major points follow:

1. The meeting acknowledged the achievements previously gained by the member states under the economic cooperation program; but it is still necessary to consider strengthening this cooperation by formulating a new plan which must meet the expectation of the member states pursuing closer economic cooperation, and accommodate the requirements of reviving the sluggish economy.

2. After a broad exchange of views among the delegates, the following proposals were laid out:

(1) Stepping up implementation of preferential tariff, implementing a total and partial tariff liberalization and suspending or removing non-tariff barriers;

(2) Trade transactions made in ASEAN member states currencies are entitled preferential treatment to promote investment among member states;

(3) Promoting joint ventures among member states, enlarging the scope of commodity trading, cooperation of service trade, and exchange of trade information; and

(4) Formulating national development plans and goals to be attained, and preparing an index system which can effectively indicate and oversee the progress of economic cooperation among member states.

3. Further study will be made on the feasibility of

setting up free trade zones among member states.

4. An agreement has been reached to the effect that ASEAN member states join the United States in handling various issues on appropriate occasions. Participants of the meeting believe that protectionism prevailing in the U.S. Congress had created many trade problems among the ASEAN member states. Economic ministers of the ASEAN member states have reached an agreement that member states may singly hold talks on the trade issue with the United States.

5. While reviewing ASEAN member states' relations with Japan, the meeting noted that despite constructive discussions held with Tokyo on the debt issue, participating delegates still hope that the Japanese government can assist the affected ASEAN member states in appropriate ways.

It is understood that the next ASEAN's Economic Ministers Conference will be held February 26-28, 1987 in Singapore and the summit of ASEAN member states is scheduled some time in September 1987 in Manila.

CONFIDENTIAL

DATE: September 26, 1986

SOURCE: Comprehensive Information

SUBJECT: Nicaraguan President Ortega's Visit to Chinese Mainland

Nicaraguan President Ortega paid a 4-day visit to the Chinese mainland beginning from September 11, 1986. This is the first time for a Nicaraguan chief of state to make such a trip since the bilateral diplomatic ties were established on December 7, 1985. The process of his visit and various reactions thereto are hereby analyzed as follows:

1. Status of visit:

(1) Ortega, with 30-odd entourages including Nicaraguan foreign minister, chief of general staff, vice defense minister, foreign trade minister and information minister, visited Peip'ing on September 11 and met Chao Tzu-yang, Li Hsien-nien, Hu Yao-pang and Teng Hsiao-p'ing.

(2) An agreement of economic, trade, scientific and technological cooperation between the two sides was signed, and Nicaragua acquired an interest-free-loan of US$20 million for the purchase of food, consumable and machinery from the Chinese Communists.

(3) During the talks with his counterparts, Ortega emphasized:

A. To blame the United States for its Latin American policy but to reiterate his willingness for a peace talk with Washington and the normalization of bilateral ties.

B. To step up "Sino"-Nicaraguan ties for support to the non-alignment movement.

C. To appeal to disarmament and to curb armament tournament so as to relieve world tension. And the response his counterparts thereto is to include:

a. Expressing sympathy for Nicaragua's

sufferings and willingness of enhancing bilateral cooperation.

b. Asserting peaceful settlement of Latin American problems by the United States and Nicaragua through equal consultation.

c. Mutual "anti-hegemony."

2. Various reactions thereto:

(1) Washington:

Bernard Kalb, spokesman for the U.S. Department of State, indicated that the United States pays "close attention" to Ortega's visit to the Chinese mainland and is particularly concerned about the items and amount of assistance (whether including military one) provided to Nicaragua by Peip'ing. In addition, U.S. public opinions feel that America is embarrassed toward the standing of Chinese Communist support to Nicaragua because Latin American affairs are not important toward Peip'ing.

(2) Moscow:

The report of Ortega's visit by Soviet official press media emphasized the assertion made by the Chinese Communists of peaceful settlement of Latin American problems as well as objection to external interference. In addition, Ortega's remarks were quoted that even the Peip'ing regime also feels that the U.S. policy toward Nicaragua is rather aggressive and challenging. It is covertly intended to expand the contradiction between the Chinese Communists and the United States.

(3) Others:

The BBC pointed out that the Peip'ing regime may take advantage of Ortega's visit to reiterate its strong objection to the U.S. policy toward central America, and that Ortega's visit indicates a considerable betterment of "Sino"-Nicaraguan ties. East European diplomats in Peip'ing commented that the Chinese Communists will not directly offer any military assistance to Nicaragua. Latin American diplomats in Peip'ing inferred that Ortega tried to change "Sino"-Nicaraguan ties into the diplomatic support of the Chinese Communists toward Nicaraguan policy, and that the regime will cement its status in the Third World through the Nicaraguan moral

support so as to affirm the pseudo-image of its "independent and autonomous diplomacy."

3. Summing-up:

(1) Ortega's visit is a part of his tour of the Asian countries after his participation in a summit conference of non-aligned nations held in Zimbabwe and aimed at acquiring political and economic assistance from the Chinese Communists, India and North Korea and expanding Nicaraguan prestige of resisting against the United States so as to relieve the pressure of deteriorated political and economic situations in Nicaragua.

(2) Nicaraguan diplomacy has been manipulated by the Soviet Union and Cuba for a long time. Ortega's visit to Pei-p'ing this time had been approved by them in advance. It indicates that Moscow tends to indirectly show its sincerity of "bettering ties" with Peip'ing and its conspiracy of alienating "Sino"-American relations development. In view of that Washington is closely concerned about Ortega's visit to the Chinese mainland, it is foolproof that such a Soviet plot will have its affect on the United States.

DATE: September 24, 1986

SOURCE: Comprehensive Information

SUBJECT: Soviet First Deputy Premier Talyzin's Visit to Chinese Mainland

Soviet First Deputy Premier Nikolai Talyzin and concurrently Chairman of State Planning Commission, an alternate member of the Politburo visited Peip'ing from September 8 to 15. Since he is the highest ranking official from Moscow in the past 17 years, this event won much attention of various circles and an analysis is given as follows:

1. Status of visit:

(1) Talyzin and Vice Premier Yao I-lin of the Peip'ing regime held two major talks wherein they reached the following agreements: To sign an "Agreement of Economic Plan and Cooperation" and an "Agreement of New Consular Treaty" and to exchange diplomatic notes of "Bilateral Trading Problems."

(2) Talyzin met Premier Chao Tzu-yang and they expressed satisfaction with the progress of substantial relations of bilateral economy and technology. However, with regard to the development of political ties, Chao emphasized that the Soviet Union should take a valuable action so as to eliminate the "3 obstacles." In addition, Talyzin delivered a personal letter from Premier Ryzhkov to Chao Tzu-yang, this is the first-time detente between Peip'ing and Moscow. Afterwards, Talyzin visited the economic reconstruction and reform activities in Wuhan region.

2. Significance indicated:

(1) Escalation of contact level:

Talyzin, as an alternate member of the Politburo, Gorbachev's confidant and concurrently Chairman of Soviet State Planning Commission, has a higher political status than Ivan Archipov, another Soviet First Deputy Premier, who visited Peip'ing earlier. This not only shows that the Soviet Union is eager for bettering political ties with the Chinese Communists but also indicates that the contact level between the two has been gradually

escalated.

(2) Furtherance of economic and technological relations:

The 20-member mission led by Talyzin includes the executives such as vice ministers of External Economic and Trade, Forestry and Paper Industry, Foreign Affairs and Power Machinery as well as vice chairman of State Scientific and Technological Commission who discussed the economic and technological cooperation with the Chinese Communists. In addition to stepping up the established relations of cooperation, more than 100 experts were assigned out to help the regime improve enterprises, new items of cooperation were increased, and an "Agreement of Border Trade Expansion" was signed. These phenomena fully indicate that the scope of cooperation between Peip'ing and Moscow has been expanded so as to deal with their own "mutual demand" of economic reconstruction.

(3) Cementing of diplomatic offensive:

In the new Asia-Pacific policy published by Gorbachev on July 28, one of the emphases is to step up the relations between Peip'ing and Moscow and to develop the Far East region of the Soviet Union. In view of the reached concrete agreements with the Chinese Communists by Talyzin, Moscow tends to propagandize its sincerity of carrying out the new Asia-Pacific policy toward the Asia-Pacific countries so as to beef up it peaceful offensive and united front operations.

3. Possible effect:

(1) So far as the triangular relations among Washington, Moscow and Peip'ing are concerned, since the United States and the Soviet Union remain opposed to each other, it is difficult for them to achieve a breakthrough of better ties in a short term, and the Chinese Communist "Four Modernizations" program relies on the American and Japanese assistance, so the party and political ties between Peip'ing and Moscow are also difficult to be considerably improved in a short time. However, under the situation of desirable detente and relieving mutual rivalry between Washington and Moscow, Peip'ing will be a third dog to run away with a bone while the other two fight for it. Therefore, in a long period from now on, the triangular ties among the United

States, the Soviet Union and the Chinese Communists remain to be one that each tries to outwit the other while each uses the other for its own ends.

(2) So far as the relations between the Chinese Communists and east European countries are concerned, the state chiefs of Poland, East Germany and Hungary will visit Peip'ing one after another beginning from the end of September 1986. This indicates that following the progress of better relations between Peip'ing and Moscow, the Chinese Communists may gradually restore an overall party and political relations with the east European countries. This will foster the prestige of the regime in the Communist bloc and actuate the gradual restoration and promotion of its political ties with the Soviet Union, so this change of situation deserves our attention.

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EXCHANGE OF INFORMATION
CONTENTS

September 1986

CONFIDENTIAL

CONFIDENTIAL

DATE: September 4, 1986

EVALUATION: A - 2

SOURCE: Documentary Information

SUBJECT: Main Points of Hu Yao-pang's Speech in Chinghai

..s disclosed by the Chinese Communist official sources, CCP "General Secretary" Hu Yao-pang, while making inspection in Chinghai August 19-30, 1986, delivered an important speech at the provincial party, government and military combined conference, of which the main points are as follows:

1. Concerning the question of reform of political structure:

At present, the "central" is considering the question of how to incorporate the reform of political structure with the reform of economic structure. For a long time defects have been found in the government administrative management, i.e. power over-centralized and control too ossified. The speech on "the party and state leadership reform," delivered by Teng Hsiao-p'ing in August 1980 is the guideline for making political restructuring and should be re-studied by the leading cadres at all levels.

2. Concerning the question of spiritual civilization:

One of the topics for discussion in the forthcoming 6th Plenum of the 12th CCPCC is to pass a resolution relative to the guidelines for developing the spiritual civilization. The draft resolution has been discussed and passed in the party's politburo before it was handed down to the provincial level for comments. Like the development of socialist material civilization, which was set forth in "The Decision on Reform of Economic Structure," passed by the 3rd Plenum of the 12th CCPCC, the subject draft resolution is bound to produce a far-reaching effect on the development of "socialist spiritual civilization."

3. Concerning the question of urban economic refrom:

One may not over-estimate the achievement of the

the subject reform. The current outstanding problem is that the thought of the leading comrades of certain departments and at certain places appears unable to catch up with the situation and that a few things already decided by the "central" cannot be pushed through.

CONFIDENTIAL

DATE: September 8, 1986

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Acres in Southern Yunnan Are Planted with Opium Poppies Under Approval of Ministry of Public Security; Opium Obtained Is Exported

1. Acres in Yunnan province's southern border region are planted with opium poppies under the supervision of Peip'ing's Ministry of Public Security. In the past several years, because of the agreeable climate of southern Yunnan bumper harvests in a row of this crop have delighted the planters. Under different contract systems the poppy fields are hired out to selected individual farmers by personnel from the Ministry of Public Security and the opium obtained is invariably bought by the same ministry.

2. The Ministry of Public Security have set up a number of trading firms in Yunnan to handle exports and imports or take care of the products from labor camps and these firms have also been practically engaged in selling opium under the cover of trade. For instance, the newly established T'ien An Trading Corporation has hooked up with the K'unming Paohua Pharmaceutical Company and devoted its efforts to the manufacturing of opium of the "Buddhist Temple" brand at the Tung Kang Pharmaceutical Factory affiliated with the aforesaid pharmaceutical corporation and all the finished products are shipped to North Korea, Romania, East Germany and Southeast Asian countries for sale.

CONFIDENTIAL

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DATE: September 8, 1986

EVALUATION: B - 2

SOURCE: Comprehensive Information

SUBJECT: Chinese Communists and Hungary Strengthening Their Relations

1. In the past two years, reciprocal visits between the Chinese Communists and Hungary have been frequent and their economic and trade cooperations have also enjoyed appreciable growth. Recently, with the relations between Peip'ing and Moscow showing signs of improvement, the relations between Peip'ing and Budapest have also shown signs of a turning for the better. In mid-August this year Hungary sent an economic delegation to visit the Chinese mainland, which was soon followed by the visit made by Fuluvegi Lajos, Hungary's Vice Premier and Director of the Hungarian National Planning Bureau, who arrived in Peip'ing on August 21 and stayed on the mainland for 10 days. During his stay, aside from talks with Sung P'ing, Chinese Communist State Councillor and Chairman of the State Planning Commission, on the two regimes' respective Five-year Plans, economic reforms and cooperation between planning departments, Lajos also met Premier Chao Tzu-yang, Vice Premier Yao I-lin, and politburo member Hu Ch'i-li, and went south to visit Canton, Shenchun and Kweilin.

2. On the evening of August 22 Lajos met with Yao I-lin. Yao said, "In the past two years our two 'countries' have made long strides in economic, trade, technological and cultural exchanges. I believe Comrade Lajos's coming to our 'country' is bound to help with our two 'countries'' economic cooperation, strengthen the relations between our respective planning departments and make the cooperation relations between Hungary and 'China' progress in fresh strides." "Hungary and 'China' have the same social systems," said Lajos, "so they can step up their cooperation in effectuating the exchanges between their trade, enterprise, technological agencies and similar provincial agencies."

3. On the afternoon of August 25 Lajos saw Chao Tzu-yang. In addition to expressing his satisfaction with the development of the bilateral economic and trade relations, Chao

said, "'China' thinks highly of developing relations with Hungary. We'll expand our cooperation in a variety of forms. Apart from conventional government-sponsored trade, we can open up more new territories. We set great store by Hungary's experience in reform. Not long ago our comrades responsible for athletic reforms visited Budapest and our Hungarian comrades gave them a briefing in which they talked about achievements as well as difficulties and problems they had encountered. Your country's experience is of great help to us in 'China.'" Added also Chao, "Hungary and Yugoslavia are the vanguard and pioneers among socialist countries that have carried on reforms. Their successful experiences are treasured by us and the lessons they have derived from the difficulties they have had are also the common property of all socialist countries. On the whole, experiences, whether successful or not successful, are lessons to learn from for other countries. Reforms in socialist countries are unprecedented essays and it is impossible not to pay some tuition for such essays."

Notes:

1. Hungary's experience in economic reform is a model for the Chinese Communists to learn from. Since 1983, after an interruption of relations that lasted for more than two decades, Budapest and Peip'ing have been on closely friendly terms. Chinese Communist leaders, such as Deputy Foreign Minister Ch'ien Ch'i-ch'en (in May 1983), former Minister of External Economic and Trade Relations Ch'en Mu-hua (in June 1984), Vice Premier Li P'eng (in May 1985) and Foreign Minister Wu Hsueh-ch'ien (in June 1986), had all visited Budapest, while Hungarian VIPs, such as Minister of Foreign Trade Peter Veress (in October 1983), Vice Premier Jozsef Marjai (in August 1984) and Economist Rezső Nyers (in November 1983), who is often referred to as the "father" of Hungary's economic reforms, had also visited Peip'ing. Currently, a long-term trade pact effective from 1986 to 1990 both inclusive is binding the two regimes (the bilateral trade between the Chinese Communists and Hungary in 1985 was valued at 450 million Swiss francs). On June 3, 1986 the two also signed their first-ever treaty on consular affairs.

2. In the July 29 issue of the Chinese Communist Chinese Legal System Bulletin there was an article dwelling on the "Hungarian experience." It stressed that when the Hungarians were carrying on their economic reforms they also paid attention to their political reforms. Said the article: Hungary held that

the reform of the economic structure, throughout its process and even in the future when it is needed, is closely connected with the reform of the political structure. The reform of the economic structure spurs the reform of the political structure and demands that the political structure adjust itself to the progression of economic reforms. In the '80s Hungary reformed its electoral system in people's representation. Hungary is a one-party country. In former times, when elections were held for members of parliament and local councillors, for each seat there was only one candidate, who was designated by his or her superiors and the electorate had no choice. Starting in the '80s, Hungary practised the "balance" electoral system in which for each seat two or more than two candidates were required. In the elections for members of parliament in 1985, the labor union put 13 candidates on its ticket, who were all key figures in the labor union, yet at the end 10 of them failed to make it. Among those candidates who had been first secretaries of state party committees 4 also admitted defeat and one of them got only 8 percent of the votes. Thus Hungary is of the opinion that the reform of the electoral system is an important step toward the reform of the political structure.

3. The Peip'ing regime is also itching to effectuate a reform of its political structure and the Hungary experience is doubtless the model on which it will try this. East Germany's communist boss Erich Honecker is scheduled to pay a visit to Peip'ing in October this year and so will, perhaps, Hungary's Janos Kadar. All in all, the Chinese Communist relations with the communist East Bloc are turning for the better.

CONFIDENTIAL

DATE: September 4, 1986

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Soviet First Vice President's Remarks on Foreign Relations

During his recent visit to Moscow, the Foreign Relations Committee Chairman of Japanese Diet Yamaguchi has held talks with the First Vice President of the Supreme Soviet Demichev. Major points of the talks follow:

1. The U.S.-Soviet summit is expected to be held at time between the U.S. mid-term election and Christmas. Included on the agenda will be the limitation of strategic arms, medium nuclear forces, space weaponry, and nuke test ban. The Soviet side would regard it meaningful for the summit to succeed in tackling one of the four issues.

2. Moscow believes that Japan and the Soviet Union should step up regional development as well as economic cooperation for mutual benefit instead of rivalry. Such being the case, a Tokyo-Moscow summit is necessary. Arrangement in this connection may be discussed by Japanese and Soviet foreign ministers when they go to New York to attend the U.N. General Assembly.

3. In principle, the Soviet Union will consider participating in the Seoul Asian Games.

4. The Soviet side indicated that Moscow-Peip'ing relations are improving in addition to increasing economic, cultural and sports exchanges. Both the Soviet Union and the Chinese Communists hope to better their relations. Also, Moscow wants to seek better ties with other countries in Asia.

Meantime, the Soviet deputy Foreign Minister Mikhail S. Kapitsa held talks with a Japanese official Yanai on August 27 when he visited Tokyo. Kapitsa told Yanai that the framework of Moscow's Asian-Pacific policy is based on the following:

(1) To seek gradual improvement of Moscow-Tokyo

relations.

(2) To resolve regional disputes in Asia.

(3) To hold an all-Asian security conference.

Kapitsa also indicated his strong desire for better ties between Tokyo and Moscow. The Japanese side stressed the need of solving territorial issues and of concluding a peace treaty between the two countries.

CONFIDENTIAL

DATE: September 4, 1986

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Moscow Steps Up Military Aids to Pyongyang

The Soviet Union has stepped up its military aids to North Korea ever since May 1985. Having already provided Pyongyang with such sophisticated weapons as MiG-23 and SAM-3 ground-to-air missiles, Moscow has further served notice that both sides should strengthen their mutual military cooperation along the following lines:

1. To make Wonsan a military base after the pattern of Cam Ranh Bay.

2. To conduct joint military trainings.

3. To send military cadres to Moscow for receiving further necessary trainings.

4. To establish a "joint intelligence command" for the purpose of increasing exchange of intelligence and conducting military research.

It has been learned that the Chinese Communists, felt somewhat dismayed, are now trying, through different channels, to persuade North Korea not to get too close with the Soviet Union.

CONFIDENTIAL

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DATE: September 4, 1986

EVALUATION: B - 3

SOURCE: Intelligence Report

SUBJECT: Current Situation of Soviet Military Aids to Laos

1. On behalf of the Soviet government the Soviet Ambassador to Laos presented to the Laotian Chief of General Staff on July 10, 1986 a batch of weapons and signal equipment, including 23 radio sets to be mounted in vehicles, 30 armored cars, 40 quadruple barrel 12.8 mm anti-aircraft guns and some 200 walkie talkies.

2. On July 21 Vietnam sent a convoy of more than 90 trucks laden with petrol drums escorted by more than 10 armored cars from Danang along No. 9 highway to an oil depot east of the Senu airport in Suvong prefecture in Laos for storage. The petrol was part of the aids the Soviets gave to Laos. It was learned that the Soviet aids used to be delivered directly to the Laotian side in the past. However, since July this year, the shipment once arrived would have to be checked first by the local Soviets before it was turned over to the Laotian side. The convoy carried general goods on return.

CONFIDENTIAL

DATE: September 4, 1986

SOURCE: Comprehensive Information

SUBJECT: Analysis of Teng Hsiao-p'ing's Recent Remarks on Economic Reform

1. Teng's recent remarks:

As reported by the Hsinhua News Agency on August 21, 1986, Teng Hsiao-p'ing went straight to Tientsin from Peitaiho on August 19 where he purposedly made a number of policy talks about the economic reform, of which the highlights are as follows:

(1) While inspecting the "Tientsin economic and technological development zone," Teng stressed that "in regard to the open-door policy, we will have to make the door open because otherwise we cannot survive. There is no such thing of recalling." He even wrote by saying that "there is a great hope in the development zone."

Back in 1984 when Teng made his first inspection at Shenchen, he also said to the effect that the Shenchen experience justified the accuracy of the special zone policy. Before long, however, a hot argument came to pass as to whether the fourteen coastal cities should be all opened. The result was that Teng had to hold up ten of them. This reveals that Teng's words sometime are not trustworthy.

(2) After being briefed on the new situation at the Tientsin Harbor, which had been given to the local municipal government to run already for a period of two years, Teng said, by referring to the so-called "raising economic efficiency" which was mentioned in the briefing, that "with the same person working on the same place; once reform is made, the efficiency comes right away. The reason is very simple because you have been given the power."

(3) After inspecting the motorcycle and car factories where the equipment and technology were brought in from West Germany and Japan, Teng said, "We should solve the problem of building our own automobiles. You should work out several new designs with appearance to be changed from time to time just like

the packings of merchandises."

(4) After inspecting the Tientsin "city loop" (central subway), Teng said, by referring to the "high speed and high quality" of the "loop," that "reform, modern science and technical knowhow, plus the fact that we do care about politics, will generate bigger power."

2. Our analysis:

(1) Teng once again called for enthusiasm in the reform:

The main features of the Tengists economic reform are open externally, open regionally, and releasing power to lower levels. Due to some problems, which came out from the reform last year and thus incurred criticism of the leftists, the Tengists have announced earlier this year the reform guidelines of "consolidation, digestion, supplement and improvement" in order to hold the stand before planning the next move. Teng's inspection of the development projects in Tientsin in the wake of the Peitaiho conference this summer and the relative remarks he made there show this approach.

(2) The basic tune of the 6th Plenum of the 12th CCP Central Committee:

As a foreign press quoted the recent talks of Director Chu Hou-tze of the CCP Central Department of Propaganda as saying, one of the main items to be discussed in the 6th Plenum of the 12th CCPCC is the resolution of the 13th National People's Congress scheduled for next year and the other is the resolution concerning the development of spiritual civilization. It is unlikely that there will be any new proposals to be introduced to the disadvantage of the Tengist reform in this top-level meeting of the party. As a matter of fact, Teng's remarks on "no survival without reform" was purposedly made in order to delimit the scope of discussion.

(3) Contradiction between economic and political relations can hardly be made "in uniform":

Since its beginning, there has been a contradiction in the Tengist reform, i.e. "opposing the rightists

politically and the leftists, economically." This explains why the Tengists have always played a defensive role on the ideological front. In his "Tientsin remarks," Teng changed his tone and considered politics as a part of the contents of the socialist economic reform. This would indicate that either there was a compromise reached at the Peitaiho conference between the Tengists and the leftists or the Tengists need to reserve some extra space to protect themselves in the coming CCPCC meeting.

(4) The Tengists still need Teng to charged ahead:

Any words uttered by Teng,no matter how trifle it is, are always taken by the Chinese Communists as the "guidelines." This indicates that the gang led by Hu Yao-pang and Chao Tzu-yang is still unable to take up the leadership at the present time. On the other hand, the Tengist reform has already crossed the boundary of no return. Therefore, they would have to ask Teng to stay on and act on their behalf.

CONFIDENTIAL

DATE: September 4, 1986

SOURCE: Comprehensive Information

SUBJECT: An Observation of Development of CCP's Inter-party Relations Through Honecker's Visit to Peip'ing

At CCP's invitation, East Germany Leader Honecker is scheduled to visit the Chinese mainland on October 23, 1986. He would be the first head of state of the East European countries ever to visit the mainland since Moscow-Peip'ing split in the early 60s. The following is an analysis thereof:

1. Background of the visit:

(1) Following relaxation of relations between Moscow and Peip'ing, the pro-Soviet countries in Eastern Europe, like East Germany, Hungary, Poland, Czechoslovakia and Bulgaria, also began to amend their relations with the Chinese Communists. It is particularly evident in the case of East Germany that it has not only improved its economic and trade relations with the regime but even once offered military cooperation.

(2) Of all the basic industries the Chinese Communists want to overhaul at the present time nearly 75 percent of its equipment were provided by the East European countries, particularly East Germany, in the 50s. Since East Germany is the most advanced country in the world communist camp, the regime would not let it pass unnoticed. That is why Peip'ing's Vice Premier Li P'eng went to visit East Germany in May last year and its Foreign Minister Wu Hsueh-ch'ien in May this year. Both of them had asked Honecker to visit the Chinese mainland.

(3) In order to deal with the newly-rising situation both at home and abroad, Gorbachev has adopted a rather pragmatic and flexible foreign policy since assuming power. His recent speech at Vladivostok is a reflection of it. As Honecker is to visit the Chinese mainland after Gorbachev's Vladivostok speech, he may carry a mission to urge Peip'ing to get closer with Moscow.

2. Significance shown:

(1) As far as East Germany is concerned:

Honceker's announced visit to the Chinese mainland is not only a breakaway from the status quo that the East European countries used to be thought of having no freewill under the Soviet control but a manifestation that the political standing of East Germany has been elevated and influence enhanced in the world communist bloc as well as in the Third World.

(2) As far as the Soviet Union is concerned:

The Soviet Union has seldom eased its control over the East European countries in the past because it always took them as the chips in its struggle for world hegemony with the United States. Now, the Soviet Union has not only allowed Honecker to visit the Chinese mainland but has tolerated East Germany to improve relations with Peip'ing to such an extent as having surpassed its own. This would show that Gorbachev is now prepared to readjust his policy toward the East European countries in order to coordinate the promotion of his overall foeign policy. He too will regard the improvement of relations with Peip'ing and the re-alignment of the whole communist bloc as the foremost strategic aim.

(3) As far as the Chinese Communists are concerned:

Soon after the thaw of tensions with the Soviet Union, the Chinese Communists began to launch diplomatic offensive on Eastern Europe by increasing the exchange of trade on the one hand and advocating the "independent and autonomous" diplomacy on the other in order to obtain good feeling of those countries there. In view of Honecker's forthcoming visit and good response thus expressed by the East European countries including East Germany, it can be said that the Chinese Communist united front work aimed at Eastern Europe has paid off.

3. Possible consequences:

(1) Through Honceker's visit, the Chinese Communists and East Germany may reach an agreement to restore their inter-party relations and thus induce the leaders of other East European countries to follow suit not only to expand the economic and technological ties but also the party-to-party relations as well.

(2) The Soviet Union has always regarded Eastern Europe as the sphere of influence. Although Gorbachev has adopted some liberal policies recently and allowed the East European countries to trade with the Chinese Communists, the strait jackets are still there—the Warsaw Pact and the Council for Mutual Economic Assistance, etc. The real benefits Peip'ing can draw out from the re-establishment of relations with the East European countries is, therefore, in the economic, trade and cultural fields. Any assumption that the Chinese Communists can exert influence on the East European countries politically would be too premature.

CONFIDENTIAL

DATE: September 10, 1986

SOURCE: Comprehensive Information

SUBJECT: International Communists Try Hard to Openly Exploit "Liberated Theology" as Their Political Clout

By deliberately identifying themselves with "liberated theology," international communists are currently engaged in establishing ad hoc agencies charged with the infiltration of churches and usurpation of church authority for the purpose of turning the church into a tool employed by them in their contentious and communizing efforts. The following is an anlaysis of this international communist scheme:

1. Brief history of "liberated theology":

(1) The so-called "liberated theology" saw its rise in the '60s in Latin America. In the midst of the general postwar poverty there appeared "dialogues between Christianity and Marxism;" encouraged by some encyclicals urging concern for the poor, such dialogues then developed into a secular theology preached by part of the priests in Latin American churches who attempted to find an outlet for the bone poor masses.

(2) Believers in liberated theology subscribed to socialist claims, criticized local governments' social and economic measures which they thought were anti-humanitarian, and went further to organize the church's "basic-level communities" so as to elevate the believers' political consciousness. Eventually, these believers' activities grew from simple religious activities focusing on salvation from sin and mutual help into a liberation movement that, aside from religious concerns, expanded to include economic, political and cultural affairs.

(3) The clergy of such churches encouraged believers to carry on armed struggles with local dictatorial rulers and unanimously condemned capitalism as the source of evil and crime and in particular the United States as their arch-foe.

2. Communist infiltration:

(1) In March 1986 the international communists' periodical <u>Socialism and the Problem of Peace</u> openly said that

they had partially approved the underlying theorems of liberated theology, and claimed that Marxists and Catholics should come together as a united front in common struggles against their foe "imperialism."

(2) Apart from absorbing influential elements of the liberated theology church and infiltrating into the church itself to hasten its leftist leanings, international communists also asked Cuba to act as their agent and established a special agency there the duties of which are to appeal to Latin American communist leaders to cooperate closely with the Catholic Church and persuade this church to allow its followers to have a hand in communist affairs.

(3) After the establishment in Nicaragua of the Sandinista regime, quite a few priests of the church of liberated theology held portfolios in the government and meanwhile the church followers tried enhancing the image and appeal of their movement to form a "strategical alliance of religion and revolution," thereby turning liberated theology into a tool with which international communists can bewitch the world and strive to seize political power.

3. Comprehensive commentary:

(1) Though the United States and Latin American governments have all been opposed to liberated theology and taken drastic measures to subdue it, yet the efforts were largely a failure and have ironically spurred it to become all the more rampant in such countries as Brazil, Peru, El Salvador and Nicaragua. As the political and economic conditions in Latin America are not expected to be noticeably on the mend in the nearest future and what is more, as the Vatican is becoming increasingly ambiguous toward liberated theology, this new church, manipulated and openly supported by internationalist communists, is expected to show continual growth and more hallmarks of a tool used by international communists to further their aims of making the world go Red.

(2) Since international communists are able to break through their ideological barrier to extend self-contradictory (though justified as they thought) recognition to liberated theology, they can logically do the same to other religions and identify themselves with them. In other words, these other religious will be influenced and infiltrated by them and consequently controlled and exploited by them, too. The appearance first in the Philippines of the "National Liberation Salvation Army" and then in Africa of the "Blacks' revolutionary theology" can both bear witness to the prediction made in the above.

735 B

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CONFIDENTIAL

DATE: August 20, 1986

SOURCE: Comprehensive Information

SUBJECT: Assessment of Hu Yao-pang's Remarks Calling For Correct Handling of Intra-party Contradictions

Brief Summary:

1. While the contradictions between the "conservatives" and "reformists" within the Chinese Communist Party are mounting up, CCP General Secretary Hu Yao-pang came up with a proposal calling for correct handling of intra-party contradictions in April this year. Hu noted that there are, within the party, two existing types of contradictions: "hostile contradiction" and "non-hostile contradiction." Hu said that if handled correctly, "hostile contradiction" may be converted into "non-hostile contradiction." "Otherwise," continued he, "non-hostile contradiction" can be turned into "hostile contradiction."

2. So far as theoretical framework is concerned, Hu's analysis as mentioned above is based on

the "Mao Tse-tung thought." Moreover, Hu assailed Mao Tse-tung that Mao was not good at dealing with contradictions within the party leadership. Hu's move is intended for serving two purposes:

(1) Shifting the blame on the existing "hostile contradiction" to "conservatives"; and

(2) Providing a justifiable basis for the reformists to launch a struggle against "hostile contradiction."

Commentary and Analysis:

1. Highlights of Hu's remarks:

(1) Mao's role in his later years criticized:

Hu spoke highly of Mao's famous article "On Contradiction" which outlines theories and principles of how to deal correctly with the two types of contradictions, namely "hostile contradiction" and "non-hostile contradiction." But Hu accused Mao of acting in defiance of his own theory, noting that Mao in his later years rejected any dissenting opinions, and that correct views differing somewhat from his own were even regarded as "right deviation," "anti-party" and "following the capitalist road." Hu assailed Mao for plunging the mainland into catastrophe by launching the 1966-76 cultural revolution.

(2) Mao's theory recommended in handling contradictions:

A. Principles for correctly dealing with non-hostile contradiction:

(a) Pre-consultations as well as discussions be held in formulating major policies before any decision is made.

(b) In any conference, party members may air their views. But once resolutions are adopted, they must abide by them.

(c) Whenever errors are found in execution, corrective action may be taken.

(d) Any dissension about policies adopted by central party authorities may be reserved for future consideration. No cadres are allowed to criticize party policies outside the party, nor are they allowed to slacken their efforts in carrying through the established policies.

B. Principles for correctly dealing with hostile contradictions:

Those who have induced "hostile contradiction" within the party are members resisting party lines and policies, committing malfeasance, and abusing power for personal gains at the expense of party and the people. Hu insisted that all of the aforesaid CCP members be duly punished and even be expelled from the party.

C. Existence of "hostile contradiction" within the party:

Hu noted that in the absence of a clear-cut stand, party organs lack the courage to deal with the hostile contradiction or contradiction with acute hostility. This development has led to lax organization; therefore, corrective action must be taken at once.

2. Significance:

(1) Hu's remarks deliberately timed:

Hu's speech on the expulsion of corrupt party members was made in late April this year, but was deliberately made known in the July 1 issue of the People's Daily to coincide with the CCP's founding anniversary. Meanwhile, CCP members are being urged to study Hu's speech before the 6th Plenum of the 12th CCP Central Committee scheduled this autumn. The move is aimed to:

A. Achieve unity by eliminating contradictions within the party. By assailing Mao Tse-tung for not correctly handling intra-party contradictions in his later years, Hu apparently intends to show that he is good at dealing with those contradictions. Also by so doing, Hu may shift the blame on the existing "hostile

contradiction" to the conservatives' refusal to communicate and compromise.

B. Hu's remarks concerning correct handling of intra-party contradictions is designed to imply that the Tengists have shown leniency to face and tolerate contradictions. At this juncture when the world attention is being focused on the escalating contradictions between the "conservatives" and the "reformists" within the Chinese Communist Party, Hu's remarks are aimed to dilute intra-party contradictions by making them known to the world.

(2) Motives behind Hu's remarks:

In his speech, Hu purposefully pointed out that Mao Tse-tung had only laid out the theory on how to "deal correctly with the two types of contradictions" without mentioning any principles and methods of how to handle the "non-hostile contradiction" within the party. Taking this opportunity, Hu came up with his own principles and methods in dealing with this kind of contradictions apparently for the purpose of establishing himself as a theoretical authority among the party leadership to pave the way for taking over the regimè at the "13th Party Congress" scheduled next year.

3. Future developments:

Since the "special party conference" held last September, escalation of contradictions between "conservatives" and "reformists" has apparently been seen. The Tengists appealed to their opponents for solving divergence and asked for correct handling of intra-party contradictions at this crucial moment in an apparent attempt to seek public support for future struggle. As the situation stands, it is generally expected that the contradictions existing within the Chinese Communist Party would be polarized this autumn when the Tengists confront their opponents at the 6th Plenum of the 12th CCP Central Committee.

CONFIDENTIAL

Reference Data:

1. Peip'ing's official newspaper People's Daily, July 1, 1986.

2. Editorial of Hongkong-based Wen Hui Pao, July 3, 1986.

735/B RPeH

CONFIDENTIAL

DATE: July 17, 1986

SOURCE: Comprehensive Information

SUBJECT: Peip'ing's Religious Policy as Seen from Expansion of Its International United Front Activities

Brief Summary:

1. The Chinese Communists have recently hosted a meeting called "The International Council of the World Conference on Religion and Peace" in Peip'ing, and at the same time sent out delegations to take part in religious activities including the "Conference on Religion and Peace in Asia." All these apparently demonstrate that the regime is stepping up its efforts to expand international united front activities by means of religion.

2. Peip'ing's move has two purposes:

(1) Using religion to draw relations with countries which have no diplomatic ties with the regime; and

(2) Joining international religious activities on its own initiative to counterbalance and minimize foreign religion's impact on mainland society.

With regard to religious activities, the Chinese Communists used to organize and utilize groups for making bilateral or multilateral contacts, and taking active part in international religious activites, so as to let the world recognize the importance of their religious role. Also, the regime has adjusted its religious policy by providing religious bodies with guidance instead of persecution. In view of the above, Peip'ing is trying to use religion to carry out its political scheme.

Commentary and Analysis:

1. Important activities:

The International Council of the World Conference on Religion and Peace was held June 25-30 in Peip'ing with some 120 participants coming from 11 religious organizations of 30 countries and areas including the Soviet Union, South Korea, Israel, Vatican... etc. This is the first international religious meeting held on the Chinese mainland since the Peip'ing regime came into being. Also, it is the first time that the International Council of the World Conference on Religion and Peace was held in a Communist "country." Simultaneously, the Chinese Communists despatched a 5-member religious delegation to participate in the Conference on Religion and Peace in Asia. On the other hand, the regime is recruiting moslems to organize a very large pilgrimage mission (to be made up of some 3,000 moslems against 2,000 in 1985) to visit Saudi Arabia. All these religious activities represent the new climax of Peip'ing's efforts to conduct international political propaganda and united front activities by means of religion in recent years.

2. Current strategy:

Communists used to regard themselves as atheists who deny the existence of any religion. In pursuit of political goals, however, they need to rally various religions to form a "united front." So under Peip'ing's current policy which calls for religion rendering diplomatic service, the regime has to adopt a flexible and transitional strategy so as to utilize religion without being utilized by it. Details follow:

(1) Flexible strategy adopted:

The Chinese Communists used to denounce religion as people's opium and brand it as the tool of imperialists. Since the regime was established on the mainland, a "three-self" policy with calls for self-support, self-preaching and self-educating, has been adopted to prevent mainland religion from getting into international contact. Recently, however, the Chinese Communists attempt to extensively involve themselves in the international affairs and vie for world hegemony by seeking assistance from the Third World countries. They anxiously want to take advantage of religion which has broad political influence over the Third World. To upgrade the status of mainland religion in international

community, Peip'ing has permitted mainland religious organizations forming missions to take part in international activities under party supervision. Also, by taking active part in international religious activities, the regime may cover up its religious persecution on the Chinese mainland.

(2) Active guidance instead of mandatory extermination:

The Chinese Communists believe that in a socialist society, religion still can not be exterminated. Such being the case, exterminating religion by means of administrative order would not only force more people taking interest in religion but also obstruct the development of its foreign relations. In view of the above, the regime has recently adjusted its strategy by adopting "gradual process" and "voluntary approach" instead of mandatory extermination through administrative order. Primary measures are as follows:

A. Intensify party leadership:

The Chinese Communists emphasized that although party members are not allowed to believe in religion, they can not be considered as distinguished members if they do not know how to control the masses by

means of religion. So the Tengists encourage the CCP members to win leadership by taking active part in religious activities.

B. Strengthen education to religious believers:

The Chinese Communists ask religious believers to love both God and the socialist fatherland by fabricating the fact that there are similarities between religious tradition and socialism. On the other hand, a great number of "double-purpose" Chinese clergy (who love both socialism and religion) are being fostered under the supreme principle of "party commanding religion."

3. Repercussions and developments:

In an effort to conduct international united front operations by means of religion, the concessive steps taken by Peip'ing can not be viewed as a change in its basic religious policy. Rather, the steps represent another new scheme aimed to lure international religious organizations into believing that the Chinese Communists are peace-loving and reliable. So that the regime may be able to attain its political goals. Once Peip'ing suc-

ceeds in attaining its goals, it would again behave more hostile toward religion, and put a great many extreme restrictions on the practice of religion.

Reference Data:

1. Peip'ing's official journal Outlook Weekly (International Edition), 23rd issue dated June 9, 1986.

2. CCPCC Document: Chung Fa Circular No. 19, 1982.

RPOH

135/B

CONFIDENTIAL

DATE: June 24, 1986

EVALUATION: B - 2

SOURCE: Comprehensive Information

SUBJECT: Chinese and Brazilian Communists Restore "Party to Party" Relations

At the time when the Chinese Communists stepped up their efforts in mending relations with the East and West European communist parties, they were also actively seeking rapprochement with the Latin American communist parties.

It has been learned that following the restoration of their relations with the Guadeloupean Communist Party, the Chinese Communists have also normalized their relations with the Brazilian Communist Party now.

At the Chinese Communist invitation, General Secretary Giocondo Gervasi Dias of the Brazilian Communist Party visited Peip'ing in the second half of May 1986. He called on Hu Yao-pang on May 30 and held talks with him on matters concerning both parties. Hu said, "The current restoration of party associations is a matter worth felicitation, since our two parties have not contacted each other for more than twenty years." In return, Dias said, "What we are here for is to resume dialogue with you in order to expedite the development of relations between our two countries and our two peoples."

Prior to Dias' visit, the Brazilian Communist Party had sent Regis Frati, secretary of its central executive committee, to visit Peip'ing in the latter half of February 1986. During his sojourn, Frati met Ch'iao Shih, Secretary of the CCP Politburo and Chu Liang, Minister of International Liaison Department of the CCP Central Committee and discussed matters relating to the resumption of relations between their two parties. It was agreed that the two parties would hereafter develop their relations on the basis of independence and mutual respect. In the meantime, preliminary arrangement was made to invite Dias to visit Peip'ing. Back to San Paulo on March 15, Frati said, "The resumption of relations between the CCP and the Brazilian Communist Party would promote the understanding between CCP and the Communist Party of the Soviet Union, thus

symbolizing a great unity of the international communist movement."

Notes:

1. The Brazilian Communist Party (Partio Comunista Brasileiro) was founded in March 1922. During the reign of Luiz Carlos Prestes, it took pro-Moscow line and called for all Latin American countries to seek alliance with the Soviets, particularly the Cuban Communist Party. Its main publication was "Voz Operaria."

It was not until May 17, 1980 when Prestes was stripped off the party post that Dias began to come to the forefront, and he has become the secretary general of the party since.

2. Internal difference has always existed in the Brazilian Communist Party. The major split finally came in 1961 when the pro-Mao factionists led by Joago Amazonas, Mauaice Grabois and Pedro Pomar walked away to form the Partido Comunista do Brasil and advocated armed struggle.

3. There are a few aspects which make the Brazilian Communist Party differ from other Latin American communist parties:

(1) It was grown out not from the socialist movement but from the anarchist movement.

(2) It started to establish relations with the military side as early as 1930.

(3) Due to the long leadership of Prestes, it has a heavy tinge of individualism.

4. The interruption of relations between the CCP and PCB came immediately after the Peip'ing-Moscow split in the early 60s. When the 6th PCB congress met in 1967, it attacked CCP by name-calling. Later in 1969 and 1971 the CCP was again criticized by the PCB. At present, despite of the normalization, different opinions of these two communist parties still exist on a number of issues, particularly the question of party line.

135/B RPCH

CONFIDENTIAL

DATE: July 5, 1986

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Vietnamese Refugees Receiving Military Training on Chinese Mainland

1. Following armed clashes between the Chinese Communists and Vietnam, a great many Vietnamese refugees of Chinese descendant have crossed the border of mainland's Kwangsi province. About 10,000 refugees were resettled by the Chinese Communists at the Huashan "state farm" located in a small plain surrounded by wooded mountains 15 kilometers east of Lingshan county of Kwangsi province.

2. After the Chinese Communists suffered heavy casualties in a punitive campaign against Vietnam, Hsu Shih-yu, the then commander of Kwangchow Military Region, submitted to the Peip'ing ruling hierarchy a plan of "using Vietnamese to attack Vietnam." With Hsu's plan endorsed by the top Communist leadership, a number of refugees were selected for training and then sent back to Vietnam to fight against the Vietnamese Communists.

3. Tentative plan for handling trained refugees:

(1) To have the refugees delivered to Huang Wen-huan, a North Vietnamese defector living in exile on the Chinese mainland. Upon completion of further training, they will be provided with weapons and form part of his anti-Vietnamese force.

(2) To have the trained refugees directly placed under the command of the Chinese Communists, so that they may act as military guides of Peip'ing's invading troops, or sneak into Vietnam to carry out sabotages, collect military information and set up anti-Vietnam guerrilla bases.

4. Refugees having the following qualifications may be eligible for receiving military training under voluntary or mandatory basis:

(1) Unmarried male or female refugees with age

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bracket of 16-30;

(2) Good physical condition;

(3) Residing in Vietnam for at least 5 years;

(4) Able to speak Vietnamese and preferably one Chinese dialect; and

(5) Those having relatives living in Vietnam will be given first priority.

5. Under the supervision of the Kwangchow Military Region, the first batch of 900 people were delivered to the anti-Vietnam guerrilla units operating along Thai-Cambodia border in late 1980 upon the completion of 9 months training. After 1983 the CCPCC Military Commission took over training supervision from the Kwangchow Military Region. Up to date, 5 batches of unknown number of trainees have been sent out to join the battle.

935/B RPeH

CONFIDENTIAL

DATE: November 5, 1986

SOURCE: Comprehensive Information

SUBJECT: Analysis of Hu Yao-pang's Policy to Develop Relations With East European Countries

1. Contents of the policy:

Hu Yao-pang, Chinese Communist General Secretary and Li Hsien-nien, Peip'ing's State President had invited Erich Honëcker, General Secretary of the East German Communist Party and Head of State, to visit the Chinese mainland on October 21, 1986. Having talked with Erich Honëcker thrice, Hu Yao-pang disclosed the guiding principles of the Chinese Communists to develop their relations with East European countries as follows:

(1) Fully respecting their guiding principles of Socialist construction made in accordance with various situations respectively.

(2) Fully respecting their foreign policy laid down in accordance with their national interest respectively.

(3) Fully respecting their concerns about, and concrete steps of, how to develop their relations with Peip'ing.

2. Main purposes:

(1) Restoration of party-to-party relations with East European countries:

The invitation for Honëcker's visit, in his capacity as head of the party and State, has resulted in a breakthrough with an agreement of restoring party-to-party relationship. This has raised the eyebrows of the world. Hu Yao-pang's "guiding principles" and "three respects" are aimed at winning international prestige and further consolidating united front for the Chinese Communists.

(2) Manifestation of conditions for normalizing relations with Moscow:

Currently, the Chinese Communists boost their "Chinese style socialist road" and "independent and autonomous diplomacy for peace." As to the normalization of relations with the Soviet Union, the Chinese Communists insist that the "three obstacles" be removed by Moscow. The implication of Hu's "three respects" is to deal with communist countries regarding government-to-government relations in addition to the "five principles of peaceful coexistence." This would mean something to the Soviets.

3. Possible repercussions:

(1) Peip'ing's normalization and enhancement of its government-to-government and party-to-party relations with East European countries are bound to bring about a positive impetus to the rapprochement between the Soviet Union and the Chinese Communists. However, the regime will watch its step in fear of the response from Western countries to deal with the Soviets.

(2) Recently, the Soviet Union does want to better its ties with the Chinese Communists and seek for the reunification of the communist countries. Hu Yao-pang's advocacy of establishing new type of relationships among communist countries, means a positive respons to the Soviets. Their collaboration will lend a helping hand to the reunification of international communist parties and the consolidation of the international communist movement.

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935/87

CONFIDENTIAL

DATE: June 24, 1986

EVALUATION: B - 2

SOURCE: Comprehensive Information

SUBJECT: Peip'ing's Policy to Aid Burmese Communists Remains Unchanged

1. The Peip'ing regime is continuing to aid the Burmese Communists. In pre-1982 years it extended full support to the latter, including the backing up of the latter's policies and programs, military training, weapons and military personnel. From 1967 to 1972 the Burmese government launched a mopping-up campaign against "Chinese youths" (Red Guards, actually) in the Rangoon area, wounding and killing large numbers of Chinese and overseas Chinese. Resentful of what the Burmese government had done, Peip'ing redoubled its aid in arms and ammunition to the Burmese Communists. However, since 1982, wishing to please the Burmese government, the regime has phased out its massive aid to the Burmese Communists. At present the Chinese Communist aid to the Burmese Communists is only in medical supplies, clothing and military equipment. Faced with the shortage of external aid, the Burmese Communists have to resort to drug traffic to maintain their finances.

2. Since 1984, thanks to reciprocal visits by Chinese Communist and Burmese government leaders, the Peip'ing regime and the Burmese government have become increasingly chummy. Burmese President Dee San Yu paid a visit to Peip'ing in October 1984, which was followed by Burma's Socialist Program Party's chairman Ne Win's visit to Peip'ing in May 1985 and Chinese Communist "State President" Li Hsien-nien's visit to Burma in June 1985. During Li's stay in Burma he had discussed with the Burmese side on the question of the Burmese Communists. Teng Hsiao-p'ing is reported to have said to the Burmese president that the Burmese Communists were part of Burma's internal problems and the Burmese government had the full right to decide how to deal with them. Then Ne Win paid his first visit to the Chinese mainland in his capacity as chairman of Burma's Socialist Program Party on an invitation from Teng Hsiao-p'ing in his capacity as chairman of CCP's Central Advisory Committee. Obviously the regime is bending over backward to strengthen its party-to-party relations with the Burmese government despite the

fact that Peip'ing has yet to extend formal diplomatic recognition to the Socialist Program Party of Burma.

3. Though the Chinese Communists are bent on improving their relations with the Burmese government, they are not expected to change their relations with the Burmese Communists; at least they will keep such relations at the present level. In September 1985 the Burmese Communists called their third session of the party's central committee in which all key figures in the leadership group remained unchanged. The roster included Chairman Ba Thien Tin, Deputy Chairmen Pe Tint and Khin Maung Gyi. A resolution passed by the central committee said that the Burmese Communists would stick to their present political course -- opposing the Burmese government in armed struggles, remaining faithful to Marxism-Leninism and Maoism, and stressing independence and determination to overcome difficulties. A noteworthy development is that though the Burmese Communist "People's Broadcasting Station" stopped its operations in April 1985, it began to broadcast again in February 1986 (the site of the station is judged to be in the hilly area of northern Burma) and thus showed that the Peip'ing regime is still giving the Burmese Communists a measure of support.

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EXCHANGE OF INFORMATION
CONTENTS

November 1986

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CONFIDENTIAL

DATE: November 26, 1986

SOURCE: Comprehensive Information

SUBJECT: Assessment on Gorbachev's Visit to India

Soviet leader Mikhail S. Gorbachev paid his first visit to India on November 25 since he came to power. Being the first trip to an Asian country, his arrival in New Delhi has attracted worldwide attention. Details are summarized below:

1. Motives behind Gorbachev's visit:

(1) In 1970s, "detente" was advocated by superpowers in the conduct of policies in Europe. Now with considerable peace prevailing in that part of the world, both the United States and Soviet Union are shifting their policy focus to the Asian-Pacific region. In a major speech delivered in Vladivostok on July 28, Gorbachev dangled out a new olive branch as part of Moscow's efforts to broaden ties in the Pacific region. Gorbachev's visit to India represents his ambition to further boost Soviet presence in the whole Asian-Pacific region.

(2) Indian Premier Rajiv Gandhi, a westernized leader stressing the need of India's modernization by importing high technology from the West, intends to strengthen ties with the United States and Western Europe. Seizing this opportunity, Washington sent Defense Secretary Caspar Weinberger to visit New Delhi in October and held talks with Indian leaders on U.S. sale of super computers and sophisticated weaponry. Since both superpowers are competing for influence in India, Weinberger's trip to New Delhi has aroused alarm in Moscow.

(3) The Soviet Union has recently withdrawn six regiments from Afghanistan, but border tension between India and the Chinese Communists as well as India and Pakistan has been escalating. With Washington joining force with Peip'ing and Islamabad to check Soviet expansionism, Moscow and New Delhi have to hold discussions on strategic redeployment.

2. Main purposes:

(1) To strengthen bilateral relationship:

Since India used to be one of the Soviet friendly allies in Asia, Moscow must win New Delhi's support before it can move southward from central Asia and dominate Indian Ocean. Therefore, Gorbachev's visit to India is aimed to sign certain aid agreement with New Delhi so as to restrain the U.S. and Chinese Communist presence in Indian Ocean, and prevent India from tilting toward Washington.

(2) To disseminate the idea of "Asian Security System":

In recent years, Gorbachev has time and again reiterated the "Asian Security System," and advocated the convention of "Asian Security Conference" as part of his efforts to push his peace overture in Asia. His visit to India is apparently designed to "promote sales" of the said ideas, thereby increasing Soviet presence in the Asian-Pacific region with the help of India.

(3) To win support from non-aligned nations:

As leader of non-aligned nations, India is striving to push the global disarmament and nuclear non-proliferation talks. In addition to supporting India's efforts in this connection, Gorbachev went further to shift the blame to the United States on the failure of arms limitation talks, and pressure the United States into scrapping the "SDI" program through international media.

3. Possible repercussions:

(1) Leaders of the seven-nation "South Asian Association for Regional Cooperation" (SAARC) met for their 2nd summit on November 16 in the southern Indian city of Bangalore. Timed right after the SAARC summit, Gorbachev's trip to India was apparently designed to publicized his idea of "Asian Security System."

(2) The Soviet "Asian Security System" was chiefly initiated to contain the Chinese Communists. But the said system is now designed to alienate the U.S. allies and eliminate American presence in Asia, thereby estranging Peip'ing from Washington. In view of the above, Gorbachev's Indian trip is overtly aimed at publicizing peace overture; but covertly, it is designed to step up strategic deployment and perpetuate Soviet presence in South Asia, thereby achieving strategic dominance. As the situation stands, mounting superpowers competition for influence in South Asia is very likely.

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CONFIDENTIAL

DATE: November 26, 1986

EVALUATION: A - 2

SOURCE: Documentary Information

SUBJECT: Po I-p'o Offers Suggestions on Party Rectification

At a conference participated by responsible comrades from the CCP central apparatus and "state" organizations held in Peip'ing on November 18, Vice Chairman Po I-p'o of the Central Steering Committee for Party Rectification (CSCPR) delivered a report on the 11th Plenary Session of CSCPR and offered important suggestions. Major points of Po's report follow:

1. Experiences summarized:

(1) Po claimed that the on-going party rectification has effectively prevented and avoided the recurrence of leftist errors previously committed by party cadres, thereby opening a new path leading to the solution of intra-party contradictions and problems.

(2) Po stressed that the CSCPR has succeeded in correctly handling the relationship between party rectification and economic work through close coordination and mutual dependence.

2. Suggestions offered:

(1) Successfully carrying out rectification work at village level:

Rectification work must be successfully carried out in accordance with the guidelines and instructions issued by the party central authorities and CSCPR. Meanwhile, responsible cadres should neither slacken their efforts nor rush the job nor give up halfway. On the other hand, they must be strict and serious in dealing with the work of "organizational disposition" and "membership registration."

(2) Grasping firmly and resolving ensuing problems:

Leadership must be strengthened at various units to insure that problems left behind party rectification be reduced to a minimum.

(3) Conscientiously working out a summary report:

An over-all summary report on party rectification throughout the mainland must be written out by the CSCPR and made known within and without the party both at home and abroad. Also, separate summary reports on rectification work must be made available respectively by provincial, municipal and prefectural party committees, and leading party groups.

APC/I

CONFIDENTIAL

DATE: November 27, 1986

EVALUATION: A - 2

SOURCE: Documentary Information

SUBJECT: Peip'ing Being Faced with Problems in Agricultural Development

The October 27 issue of Peip'ing's Economic Reference journal carried an article entitled "Problems Resulting from Agricultural Growth Should Deserve Our Attention," pointing out that mainland agriculture is being faced with the following six problems since Peip'ing launched economic reforms in rural areas:

1. As agricultural growth has reached its saturation point, whether agricultural production can be further increased has become a major contradiction.

2. Failure in extensive farming due to the following factors:

(1) Out-dated irrigation facilities, reduced acreage and lack of capabilities in control over plant diseases and pests.

(2) Substandard level of agricultural mechanization has resulted in the reduced acreage of farming land.

(3) Shortage of such high-quality chemical fertilizers as nitrogen, phosphate and potassium.

3. Decrease in agricultural investment:

Government investment in agriculture totalled 8.3 billion yuan in 1983, down 45.9 percent as compared with 1978 with a yearly reduction rate averaging 10.9 percent. "State" funds to support agriculture accounted for 6.8 percent of the national budget in 1983 as compared with 13.6 percent in 1979, a drop of 6.8 percent.

4. Latent crisis in grain production:

Mainland peasants are reluctant to grow grain because of low "state" purchase-prices and high production cost. Therefore, peasants' unwillingness to grow grain has resulted in reduced grain acreage and declining output.

5. Inadequate intra-structure of agriculture:

Rapid growth of mainland population has made it impossible to adjust the intra-structure of agriculture.

6. Economic reforms resulting in poor grain harvest:

Peasants in economically developed regions are lured to do better-paid factory jobs or seek non-agricultural sidelines instead of farming which is considered unprofitable. This development has led to declining agricultural production.

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CONFIDENTIAL

DATE: November 26, 1986

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Mainland Students Unwilling to Return from Abroad

Influenced by Western democracy as well as economic prosperity, and unhappy with Peip'ing's ongoing policies, mainland students who have gone abroad with or without government sponsorship are reluctant to return after completion of their studies. Details follow:

1. A mainland student surnamed Hsu studying at West Germany's Hamburg University disclosed on August 7 that the first batch of Peip'ing-financed mainland students had completed their studies, but none of them returned to the mainland under the pretense of pursuing post-graduate studies.

2. A married couple of Mr. & Mrs. Shih studying in Canada disclosed on July 20 that most of mainland students despatched to Canada by the Chinese Communist regime are trying to prolong their stay with no desire to return. For instance, two mainland nurses who had been sent here to practise at a children hospital but unwilling to return, sought to perpetuate their stay by marrying Canadian-Chinese. Another reason for some students' reluctance to return to the mainland is that mainland intellectuals are still poorly paid and that no progress has been made as far as working conditions for academic studies are concerned.

3. Another mainland student surnamed Wu who is now pursuing studies in the United States wrote to his classmate in Canton in August that mainland students are reluctant to return because they are afraid that returned students may be viewed as "problem intellectuals" whenever a political movement is launched against them.

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CONFIDENTIAL

DATE: November 27, 1986

EVALUATION: C - 3

SOURCE: Intelligence Report

SUBJECT: Moscow's Strategic Goals in Southeast Asia

Recent years have seen dramatically-growing Soviet presence in Southeast Asia. This development is attributed to:

1. The change of strategic environment in Southeast Asia.

2. Moscow's strategic change resulting from the interest in Southeast Asia by the new ruling hierarchy headed by Gorbachev. Soviet strategic goals in Southeast are summarized below:

(1) To curb Chinese Communist expansionism in Southeast;

(2) To reduce American presence in this part of the world and alienate the United States from its allies and friendly nations so as to reverse global balance of power in favor of the Soviet Union;

(3) To prevent the ASEAN from concluding security treaties with the West and the Chinese Communists;

(4) To help Vietnam, Cambodia and Laos boost (promover - ayudar) their military capabilities and have the three Indo-Chinese states included into Soviet sphere of influence;

(5) To obtain the access to naval and air bases in Vietnam and other areas in Southeast Asia so as to boost Soviet military buildup.

In addition to the above, the Soviets are trying to disintegrate the Western alliance system in Southeast Asia and Pacific region.

CONFIDENTIAL

Laos

CONFIDENTIAL

DATE: November 27, 1986

EVALUATION: C - 3

SOURCE: Intelligence Report

SUBJECT: Laos Plans to Request Vietnam for Troop Reduction

Laos and Vietnam signed a 25-year Military Agreement in 1975. Under the agreement, four Vietnamese infantry divisions were despatched to station in Laos until 2000. To build its own army, the Laotian government has recently held a meeting to the following effect:

1. Part of the aid obtained from foreign countries are consumed by the Vietnamese occupational troops, thus making it impossible for Laos to build its own defense.

2. A protracted military occupation will mislead the Laotians to believe that their country is placed under the control of Vietnamese Communists, thereby demoralizing the Laotian people.

3. Long-lasting presence of foreign troops would impair Laos' international image — misleading the world to believe that Laos is not a sovereign country.

In view of the above, Laos plans to ask Vietnam taking the following measures:

1. To have Vietnamese troops transferred to places bordering Laos and Vietnam; and

2. To have the current troops strength (approximately 50,000 men) reduced to 20,000 or 30,000 men.

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CONFIDENTIAL

DATE: November 26, 1986

SOURCE: Comprehensive Information

SUBJECT: Assessment of Unusual Situation Inside North Korea

In recent years, the uncertainties within the ruling hierarchy of North Korea and Pyongyang's military buildup near the DMZ have led to the crossfire of speculations and rumors about its political chaos. Details are summarized below:

1. Unusual situation:

(1) The 7th National Congress of North Korea's Workers Party, which is scheduled some time in 1986, has not been held up to date.

(2) Over the past three months, O Chin-u, Minister of Pyongyang's People's Armed Forces, has never been seen in public. In early October when Peip'ing's "State President" Li Hsien-nien visited North Korea, he did not show up under the pretense of suffering injuries from traffic accident. In mid-November when Outer Mongolian leader President Jambyn Batmonh visited Pyongyang, he also failed to show up.

(3) On October 21, Pyongyang started the construction of a large dam and power plant only 10 kilometers away from the DMZ by throwing tens of thousands soldiers into the construction project. The dam to be completed in five years and a half can hold 20 billion tons of water.

(4) Korea-U.S. Joint Command pointed out on November 7 that North Korea has recently completed construction of four airfields near the DMZ and has the capability to raid South Korea anytime.

(5) North Korean loudspeakers at the border separating the two Koreans announced on November 16 that Kim Il Sung had been shot. The next morning, Kim Jong Il's takeover from his father was announced from the loudspeakers.

2. Significance of developments:

(1) Doubtful motive:

The reports of the death of Kim Il Sung were later disapproved. But Pyongyang's motive to make the false announcement remains not understandable to many observers. Some could say that Pyongyang's move is intended to find out the reaction from Washington and Seoul, or designed to discredit South Korea. But it is not advisable for Pyongyang to do so, because this practice would likely damage Kim Il Sung's personal image.

(2) Personal grudges existing between Kim Il Sung and the military:

Some time in April 1982 more than 10 high-ranking military officers who did not like Kim's personality-cult and family dynasties, fled Pyongyang and sought political asylum from the Chinese Communists. Since the news of Kim Il Sung's death was announced by Pyongyang's broadcasting station near the DMZ, this demonstrates that the anti-Kim undercurrents still exist in North Korea's armed forces.

(3) Power transition not so smooth:

The repeated postponement of Pyongyang's party congress is closely linked with Kim's succession plan. This development indicates that some anti-Kim elements within the top hierarchy are acting in defiance of Kim's choice of his son to succeed him. To counter this situation, Kim has to give prominence to his political achievements by launching various construction projects in an effort to smooth the way for power transition to his son.

3. Possible repercussions:

(1) Growing dependence on Peip'ing and Moscow for aid:

Plagued by huge defense spending and heavy foreign debt for military buildup, North Korea has been suffering from worsening economic situation. To overcome its economic crisis, Pyongyang would all the more rely on Peip'ing and Moscow for both economic and military aid.

(2) Massive party purge expected:

As Pyongyang's military hierarchy plays a decisive role in Kim Il Sung's choice of his successor, whether Kim Jong Il can be chosen as his father's successor depends on how much support he can win from the military. In view of the fact that Kim Jong Il has neither power base nor "revolutionary experiences," his abrupt takeover from his father could prompt him to launch a massive party purge, thus bringing about political chaos.

(3) Future trends full of uncertainties:

Pyongyang's growing military buildup near the DMZ has heightened the tension on the divided Korean Peninsula. Meanwhile, the completion of Pyongyang's Kumgangsan Dam constructed near the DMZ would pose quite a serious threat to South Korea. To remedy the situation, Seoul can not but take countermeasures. As the situation stands, the coming two years are a crucial period for both Seoul and Pyongyang.

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EXCHANGE OF INFORMATION
CONTENTS

December 1986

(1) FALTAN -

RPett

DATE: December 2, 1986

EVALUATION: A - 1

SOURCE: Comprehensive Information

SUBJECT: Peip'ing's Newly Promulgated Regulations Concerning Statute on Issuance and Application of Resident ID Card

The "Regulations Concerning the Statute on the Issuance and Application of Resident Identification Card" have been approved by the "State Council" and were promulgated by the Ministry of Public Security on November 28, 1986, Peip'ing's official sources disclosed. According to the disclosure, there are up to date some 40 million mainland people having received their resident ID cards; and the regime is now in the process of issuing the ID cards all over the mainland.

The newly promulgated "Regulations Concerning the Statute on the Issuance and Application of Resident ID Card" consist of nine chapters and 46 articles. Under the said regulations, mainland Chinese reaching the age of 16 are required to apply for the resident ID cards at local household registration offices. In dealing with matters concerning census check, conscription, marriage registration, school admission, job application, notarization, application for ingress or egress, and checking in at hotels, resident ID card must be produced.

The resident ID card will be issued by county (municipal) public security bureaus and township public security subbureaus, while the procedural process will be handled by household registration offices.

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CONFIDENTIAL

DATE: December 3, 1986

EVALUATION: A - 1

SOURCE: Documentary Information

SUBJECT: P'eng Chen, Chairman of Peip'ing's National People's Congress Standing Committee, on "Socialist Democracy"

At the 18th meeting of Peip'ing's National People's Congress Standing Committee held recently, P'eng Chen, Chairman of the Standing Committee, spoke on the three issues of the party's highest ideal, socialist democracy and the legal system when it was time for the meeting to discuss the party central's "resolution on the guidelines to be followed in the reconstruction of a socialist spiritual civilization." Essentials of P'eng's speech were as follows:

1. The party's highest ideal:

(1) Some people say that those who speak of the highest ideal of the party — communism — are unrealistic high-fliers, pipe dreamers and braggarts. Such people are wrong.

(2) Communism is a new social system and also a scientific world view; hence, whether in the past or in the future, communist ideals are the fountainhead of the strength of the communist party and the spiritual prop thereof.

2. Socialist democracy:

(1) There are people who long to see bourgeois democracy as if "the moon in a capitalist society" were brighter than "the moon in China's socialist society." Such a view unhealthy.

(2) Leaders in the regime's major agencies are all elected through a democratic process; when it comes to the discussion of questions, state power structures are run on the principles of the minority bowing to the majority, individuals to the organizations they are in, subordinates to superiors, and the "country" to the "central government." All such principles have their legal bases. "Such a democratic system is better than a

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bourgeois democratic system," boasted P'eng.

3. The socialist legal system:

(1) As China's feudal society dies hard and has extensive influence, so extensive that there is generally little awareness of the importance of a legal system, the average people, just as Teng Hsiao-p'ing says, "are won't to take as law whatever the leaders say and call those who have a dissenting voice to whatever the leaders say 'violaters of law.' Thus, when the leaders' utterances change, law changes accordingly."

(2) Without a strong legal system and with everybody doing things contrary to the spirit of law, there would be no go; above all, and to get to the bottom of affairs, what the "country" needs is a system. "When a good system exists, the bad lot will see there's no way for them to have their way without any fear; on the other hand, if the system is bad, good people will find it difficult to perform good deeds to their satisfaction and may even go in the reverse direction."

DATE: December 3, 1986

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Chinese Communists Establish NCO Schools for Training Of Non-commissioned Officers

The Chinese Communists have recently set up a few NCO schools for the training of non-commissioned officers in response to the need of a currently newly defined military mission. The first batch of NCOs, numbering in the lower thousands, have all been admitted to the new military schools. This is an important change in the regime's military training system aimed at the production of basic-level skilled and administrative military backbone personnel. Related details are as follows:

1. Establishment of military schools and training classes:

There are now an NCO school at Talien for the training of air force non-commissioned officers and also NCO school at the same place for the training of naval non-commissioned officers. A training class for the training of non-commissioned military officers has been added to the Army Academy.

2. Professional training:

The NCO schools for the training of non-commissioned officers offer professional classes in the training of 5th-class naval vessel captains, squad leaders, radio station superintendants, general-affairs chiefs, cashiers, all sorts of technicians and aviation ground-service specialists. The courses offered number more than ten, all designed for the purpose of turning out professionals.

3. Rules governing recruitment:

The first batch of cadets were taken in accordance with the principle of "recruitment and distribution in a fixed direction" and selected from among examinees who had served two years in the army, were at least junior high school graduates

and were willing to be with the troops over a longer period. The cadets will undergo a two-year course of study and are required to return to the troops as interns for a year. After graduation they will be given the credentials of a mid-level vocational school graduate.

4. Potential effects:

According to the PLA's Department of the General Staff, non-commissioned officers are the backbone force in the basic-level military reconstruction and the strengthened training of NCOs is an important change in the military training system aimed at the production of basic-level skilled and administrative military backbone personnel as well as a positive measure to boost the combat capability of troops.

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CONFIDENTIAL

DATE: December 12, 1986

SOURCE: Comprehensive Information

SUBJECT: Assessment of Peip'ing's Internal Disarray After the 6th Plenum of the 12th CCP Central Committee

Brief Summary:

1. A sharp debate has gripped the Chinese Communist Party over the "Guiding Principles of Building Socialist Spiritual Civilization" adopted by the 6th Plenum of the 12th CCP Central Committee. Following the Plenum, forums on the study of the resolution were characterized by vague phenomena. For instance, the party central has time and again exhorted cadres to "fully grasp the spirit of the document" but failed to give an exposition of the spirit of the document. It stressed the integration of theory and practice, but cadres were only allowed to study the document without taking arbitrary action. All these are unusual developments.

2. The "reformists" aim to push their reform program by means of spiritual civilization construction

while the "conservatives" want to restrict the pace of the reforms. To let each of them hold its own view, opinions of the two factions have to be included in the "Guiding Principles." The move is likely to bring about confusions. The "reformists" want cadres to obey their instructions, but dare not openly encourage them to take any action. This development apparently reflects the undercurrent of power struggle within the party.

Commentary and Analysis:

Following the 6th Plenum of the 12th CCP Central Committee, a disarray was seen within the party. Relevant details follow:

1. Uncooperative "conservatives":

The 6th Plenum of the 12th CCP Central Committee was held to adopt the Resolution on "the Guiding Principles of Building Socialist Spiritual Civilization." The Chinese Communists declared that the said Resolution adopted by the plenum is an "important document in history," which was preceded by sufficient ferment and made available under the phenomena of unity and democracy. However, at a reception held on the eve of the regime's "founding anniversary" (i.e. two days after the plenum), Central Secretariat member Teng Li-ch'un (former head of central propaganda department) told a Reuters reporter that the sharp debate over the wording of the Resolution in top hierarchy has resulted in nine months consumed in revising the draft for nine times. This apparently demonstrates that the "conservatives" were unhappy with the "reformists" who dominated the

plenum, and contents of the Resolution.

2. Vague phenomena:

(1) In the past, when important documents were made known, the party central used to issue instructions urging its cadres to study them, and at the same time order official media to step up propaganda work. But this time when the Resolution was adopted by the party plenum, the People's Daily ambiguously toned down its editorial entitled "Document-study Comes First" by saying that "Be conscientious in dealing with document-study as well as in thinking, be well prepared and able to understand it thoroughly. It is unadvisable to issue instructions before the document has been well studied." The Tengists, not knowing the contents and spirit for document-study, should have asked subordinate units to pursue their studies of documents and fully grasp their spirit without taking arbitrary action. Apart from reflecting their unwillingness to expose something secret, the move also demonstrates that the "reformists" have made great concessions in drafting the Resolution adopted by the plenum.

(2) At the 13th session of the 6th

People's Political Consultative Conference held on October 13, 1986 politburo member Hsi Chung-hsun openly admitted that "Upon hearing such phrases as persistence in four cardinal principles and spiritual civilization, many people think of possible return to policy of tight control or policy change." Hsi continued that "There are still some people who maintain that pushing the reform program and opening the mainland to foreign investment amounts to practising capitalism." This argument is apparently designed to confront the important spirit of what the Tengists repeatedly emphasized in the "Resolution" that "Socialist spiritual civilization must be a spiritual civilization which persists in reforms as well as open-door policy lines."

3. Political reforms bogged down:

(1) Lack of consensus in top hierarchy:

In view of the conservatives' strong opposition to the reform of political structure before the party plenum, the reformists have to pigeonhole the program for the time being and put up some structural reform of the regime instead. After the plenum, Hu Yao-pang noted that "one year will be devoted to

the comprehension of the purposes and methods for political restructuring."

(2) Resistance from mid-level cadres:

According to a poll recently conducted by Peip'ing's official media, over half of the middle and lower level cadres surveyed raised their objection to the reform of political structure; because they see political restructuring threatening their perks and privileges.

4. Summing-up:

So far as its drafting process is concerned, the Resolution on "Socialist Spiritual Civilization" is a product of compromise reached between the "reformists" and "conservatives." Since the Resolution, which comprises the ideas and aims of both factions, is only a "program document" without concrete process and arrangement for application, it will naturally become the core of dispute between the "reformists" and "conservatives." As each faction will try its best to use the favorable wording of the Resolution for self protection and attacking the other, whether this development will lead to "unity in ideology and action" or mutual conflict

remains to be seen. However, the disarray emerging after the 6th Plenum of the 12th CCP Central Committee should indeed deserve our attention.

Reference Data:

1. Editorial, People's Daily, September 29, 1986.

2. Hongkong-based Ta Kung Pao, October 1, 1986.

3. Dispatch of Hsinhua News Agency, October 13, 1986.

Corea del Norte
Fichaje

CONFIDENTIAL

DATE: December 10, 1986

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Latest Soviet Delegation to North Korea

Chairman Kim Il-sung of North Korea received on December 4, 1986 a Soviet delegation composed of military, political and industrial figures. Brief related details:

1. On December 4 Chairman Kim Il-sung received the Soviet delegation and held congenial talks with it. O Kah Yul, Chief of the General Staff of North Korea's People's Army, was also a participant in the talks.

2. The delegation was the first high-level Soviet military ever to visit North Korea since the Soviet Pacific fleet along with its naval air force visited the country in July 1986. Members of the delegation included director of the political department of the Soviet Air Force, director of the political department of the Far Eastern military region and director of the political department of the Soviet Pacific Fleet.*

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*Though North Korea says that it still insists on equidistance relations with the Chinese Communists and the Soviet Union, there are indications that it is gradually stepping up its relations with the Soviet Union.

CONFIDENTIAL

Japan

CONFIDENTIAL

DATE: December 10, 1986

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Essential Points of Agreement Reached at 14th Ministerial Conference Between Japan and South Korea

Japan and South Korea held their 14th ministerial conference in Tokyo December 5-6. They agreed to the following things:

1. Japan will continue to restrain the development of its relations with North Korea.

2. Japan will pledge to help South and North Koreas resume their dialogues and help South Korea host the Olympic Games in Seoul.

3. Japan will continue to support the proposal that the two Koreas be admitted to the United Nations simultaneously.

4. The two sides will establish in 1988 a joint Japanese-South Korean Research Council for cooperation in the 21st Century.*

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*For the sake of self-interest and safety Japan will develop long-term cooperation relations with South Korea to keep a strategic balance in the Korean Peninsula.

CONFIDENTIAL

Filipinas
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CONFIDENTIAL

DATE: December 3, 1986

SOURCE: Comprehensive Information

SUBJECT: Impacts of Recent Political Upheaval in Manila

President Corazon Aquino of the Philippines made a public announcement on November 23, 1986 to the effect that she had accepted the resignation of Defense Minister Enrile and also asked for the resignations of her entire cabinet. This stunning action will cause certain impacts on the already turbulent political situation in the Philippines. The following is an analysis thereof:

1. Factors of upheaval:

(1) Defense Minister Enrile is a politically ambitious man, who used to come to clash with President Aquino. At first, it was their different approach to dealing with the communist rebels and then their different interpretation of the draft constitution and the power of the president contained therein. Thus, words of presumed coups spread, imperiling the stability of the government. Mrs. Aquino therefore fired Enrile by way of cabinet reshuffle in order to stabilize the political situation.

(2) The elements constituting Aquino's cabinet were complex in nature and contradiction of interests and mutual suspicions were often found existing among the cabinet members. This situation became more salient when Aquino was about to return from an official visit to Japan on November 13. It was further aggravated by the murder of political leaders and the kidnap of a foreign businessman as a result of the open confrontation between the leftist, rightist and neutral factions after her return. Facing this situation, Mrs. Aquino had no choice but to take resolute measures.

(3) Since assuming power, Mrs. Aquino has been able to win supports,not only from the United States, Japan and the European Economic Community whose economic aids are instrumental to the stability of her government but also from the home front -- the Catholic church as well as business circles. It was of course the backup of armed forces Chief of Staff General

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Fidal Ramos during the leadership crisis that had finally kept Aquino's authority in shape.

2. Trend of development:

(1) The courageous announcement by Mrs. Aquino to strip Enrile of his portfolio as the defense minister should give a positive impact on the current political situation in the Philippines. Rafael Ileto, who succeeded Enrile as the Defense Minister, has a good connection with the United States and can help promote bilateral relations between the United States and the Philippines. Now that Enrile has been removed from office; in view of his personal ambition and his pro-Marcos background, his next move is still considered a latent variable.

(2) Recognizing that, with Enrile gone, Mrs. Aquino will have less resistance to push through her policy of "having negotiations for confrontation," the Philippine communists therefore signed a 60-day cease-fire agreement with the government representatives on November 27, with the effective date on December 10, 1986. But, the ultimate objective of the Philippine communists is to seize political power. Therefore, they will secretly expand their strength on the one hand and put forward in the negotiations the harsh terms, which would not be accepted by the government on the other so that they can continue to advance armed struggle once their terms are rejected.

(3) The future development of the situation in the Philippines will depend upon the policy direction and personnel line-up of the new cabinet. If Mrs. Aquino insists to retain the leftist elements in the cabinet, she will offend the military headed by Gen. Ramos. If she expels all the leftist elements from the cabinet, she will lose the support of urban liberals and the intellectual class; both would not help maintain the stability of her regime.

3. Possible impacts:

(1) On the domestic side:

If the political unrest continues, it will not only impede the economic recovery but spur the countryside masses to join hands with the communist rebels. Besides, it will scare off foreign capitals and cause home capitals to flow out.

(2) On the United States:

The Philippines is strategically important. In order to prevent the home communist rebels from expanding and the Chinese Communist as well as the Soviet power from entering, the United States is so far very cautious in providing support for Mrs. Aquino's regime. If it should over-exercise its influence and intervention, it may arouse the Philippino nationalistic feeling and thus produce the negative effect to the existing situation.

(3) On the Chinese Communists and the Soviet Union:

In order to put an end to the internal chaotic situation, Mrs. Aquino is looking for more outside aids through multiple diplomatic channels. It can be expected that both the Chinese Communists and the Soviet Union will be offering their economic and technological assistance to the Philippines. However, it is unlikely that they will openly express their support for the Philippine communists in the near future.

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EXCHANGE OF INFORMATION
CONTENTS

December 1986

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CONFIDENTIAL

DATE: December 26, 1986

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Communist Official Discloses Peip'ing's Agricultural Development Goals

1. On December 21, 1986 Peip'ing's "Minister of Agriculture, Livestock and Fisheries" Ho Kang declared that the regime's long-range goals for agricultural development are twofold:

(1) To have average per capita grain harvest reaching 400 kilograms and the total agricultural output reaching 0.5 billion metric tons by the year 2000; and

(2) To have peasants' per capita income "rising steadily" and gradually approaching the level of urban residents by the end of this century.

2. According to Peip'ing's "State Statistics Bureau," mainland's grain (including wheat, beans and potatoes) production in 1985 fell to 378 million metric tons, down about 28 million metric tons or 7 percent from 1984. The decline has started a political debate in which the conservatives warned that "grain shortages lead to social chaos." Also, the Tengists were alarmed by the grain output falls, calling for greater emphasis on agriculture -- the backbone of national economy. In 1986, Peip'ing repeatedly instructed organizations at various levels to initiate incentive measures in an effort to increase grain production. Meanwhile, the regime managed to increase grain acreage by some 25 million acres by slashing the acreage for cash crops such as cotton, sugar cane, flax and tobacco plant. In June, 1986, Teng Hsiao-p'ing said that "since grain production plays a leading role in agriculture, problems occurring in agriculture can not be solved in three or five years ....." However, grain production only increased by some 10 million metric tons as compared with that of last year. Based on the current mainland's annual birth rate of 1.8 percent, the 1986 population growth is estimated at some 18 million people. Such being the case, increased grain

production in 1986 would have been consumed up by the newly increased population. Based on the above calculation, the regime's agricultural development goals as mentioned above are by no means attainable.

3. The Chinese Communists are plagued by the following problems:

(1) In spite of the implementation of household contracted production system, mainland peasants are still reluctant to grow grains because of low "state" purchase prices and high production costs;

(2) Decrease in agricultural investment either by the "state" or by peasants;

(3) Peasants till the land owned by the "state," and the "state" now won't subsidize fertilizer. With peasants spending less in fertilizer, farmland becomes infertile;

(4) Meager salary paid to agricultural experts handicapped the improvement of agricultural technology;

(5) Reduction of arable land by some 10 million acres;

(6) Exploitation of peasants by Communist Party cadres; and

(7) Low price of agricultural products dampens peasants' enthusiasm to grow grains.

4. To remedy the situation, Ho Kang laid out the following nine measures:

(1) To intensify reform efforts in economic operations, management methods and various kinds of servies;

(2) To work vigorously and cautiously in adjusting price structure of agricultural products;

(3) To upgrade technical level of agriculture by intensifying scientific research;

(4) To promote agricultural education and encourage agricultural experts to work in the countryside;

(5) To exercise strict control over the non-farming land;

(6) To transfer some 100 million labor force from farm land to rural subsidiary industry such as forestry, animal husbandry and fishery;

(7) To develop agricultural chemical industry as well as agricultural mechanical industry;

(8) To improve living conditions and start construction of underdeveloped areas as soon as possible; and

(9) To import agricultural expertise, facilities and funds from advanced countries.

But whether Ho Kang can reverse the trend of sagging grain output depends upon the successful implementation of the aforesaid nine measures as well as other relevant conditions. In this connection, the Tengists have more than once raised the "state purchasing price" of agricultural products and reduced the amount of grain the "state" buys from the peasants, hoping the peasants will sell more in the free market at higher prices and be more motivated to grow grain. But the measure does not work well for the mainland peasants. Because prices of fertilizer and diesel oil together with electricity as well as irrigation fees have increased two to threefold, the income peasants get for selling the extra portion of their grain in the free market can not offset their product costs. In view of the above, the prospect of mainland agriculture seems not very promising.

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CONFIDENTIAL

DATE: December 18, 1986

EVALUATION: B - 2

SOURCE: Comprehensive Information

SUBJECT: Student Demonstration on Chinese Mainland

Student demonstrations swept mainland including Shanghai, Hunan, Anhui and Peip'ing since early November 1986. Details follow:

1. In Shanghai, students from universities put up posters on the campus in protest against physical training added to military training course, and cutback of allowances. Students claimed that if those problems remain unsolved, they would have the protest spread to other universities.

2. In Hunan province, some 3,000 students from Hunan Teachers University in the capital city of Changsha rushed off campus into street to stage a demonstration to protest against their professor Wei Li-jen's being beaten up for refusing to move out of dormitory. While marching through street, protestants put up posters calling for "showing respect to teachers and human rights."

3. In Anhui province, some 3,000 to 7,000 students from Hefei University staged demonstrations on December 5 and 9, 1986 to protest against unfair nomination procedures for candidates to the provincial people's congress. Demonstrators chanted slogans calling for greater democracy and political reforms.

4. In Peip'ing, wall posters appeared on the campus of Peking University on December 13, 1986 condemning Communist election system and calling on students to struggle for true freedom as well as personal rights.

CONFIDENTIAL

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China Comunista envía tropas para ayudar a los Comunistas de Birmania

CONFIDENTIAL

DATE: December 24, 1986

EVALUATION: C - 3

SOURCE: Intelligence Report

SUBJECT: Chinese Communists Send Frontier Troops to Support Burmese Communists

By order of Yunnan Military District Command, about one company of the Chinese Communist frontier troops sneaked into the Burmese territory east of Salween River on November 21, 1986 to support the Burmese Communist Guerrilla unit #815 operating in that area.

The Chinese Communist task force is equipped with 10 sub-machine guns, 5 rocket launchers, 4 60mm mortars, 15 radio sets and an unknown number of automatic rifles.

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CONFIDENTIAL

DATE: December 24, 1986

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Soviet Union Recently Held in Peip'ing Industrial And Trade Exhibit

The Soviet Union held in Peip'ing an industrial and trade exhibit from December 12 through 28. This was the first time in thirty years that the Soviets held on the Chinese mainland a large-scale industrial and trade exhibit. Prior to this, in accordance with an agreement reached by the two sides, the Chinese Communists held a similar exhibit in Moscow in August 1986. It was reported that more than 300,000 people went to visit, including the wife of Gorbachev, Raisa, and the Soviet Premier, Reyzhkov. At that time, the products on exhibit were mostly general industrial, agricultural, and handicraft products. This time, in the exhibit held by the Soviet Union, besides general industrial and agricultural products, there were many high technology products, which occupied a very important position, such as model of a satellite model of a space laboratory aggregate, model of an automatic-drive device on "Moon Vehicle No. 1," model of a heat-nuclear reaction pile, and more than 20,000 pictures taken of the moon surface. This shows that Moscow wanted to show off its technological achievements through this exhibit. After he visited the exhibition on December 13, Peip'ing's Premier Chao Tzu-yang of the State Council said that he hoped, through joint efforts, there would be greater development in economico-technological cooperation between both sides. It is generally believed that the bilateral technological cooperation will be further strengthened in the future.

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DATE: December 18, 1986

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Soviet Union Increases Its Aid to Client States To Sustain Its Position of Suzerainty

Well-informed sources say the Soviet Union is heavily burdened with its massive financial aid to its client states. Related details:

1. To maintain its control, the Soviet Union have greatly increased its financial aid to the East European Comecon countries, Vietnam, Cuba, Outer Mongolia, Angola and Nicaragua. In 1981 such funds in aid amounted to somewhere between US$39 and 49 billion. The growth rate of the financial aid per year is greater than that of the Soviet GNP.

2. Soviet funds in military aid to the country's client states account for approximately 90 percent of these states' military expenditure. In addition, the Soviet Union also favors these states with loans with very low interests; usually these states are freed from paying any interests.

3. Nevertheless, the Soviet Union subjects its client states to its economic exploitation; for instance, the Soviet Union exports its raw materials to the Comecon countries at prices higher than those in the world market, while the Comecon countries have to buy in industrial products from the Soviet Union at prices higher than those in the world market, too.

4. It is expected that the Soviet Union will continue to increase the funds necessary in the maintenance of the Soviet Empire and the cost it pays for this is the lowering of the Soviet living standards and economic growth rate.

Note:

To strive for world hegemony, the Soviet Union finds it necessary to send massive economic aid to its client states despite its own economic plight. Such aid will doubtless undercuts the effects of Gorbachev's economic reforms.

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CONFIDENTIAL

DATE: December 18, 1986

SOURCE: Comprehensive Information

SUBJECT: Chinese Communists Meet to Review Their Overseas Propaganda Work

1. The conference:

A "National Conference on Overseas Propaganda Work" co-sponsored by the Chinese Communist Party's Central Propaganda Department and Central Subcommittee on Overseas Propaganda took place from November 26 through December 3, 1986 in Peip'ing to review what had gone amiss in the party's external propaganda campaign, sum up related experience and plan the work ahead. Present at the conference were Hu Ch'i-li, secretary of the party's Central Secretariate, Chu Mu-chih, chairman of the Central Subcommittee on Overseas Propaganda, Foreign Minister Wu Hsueh-ch'ien and State Councillor Ku Mu, who took turn at the meeting to speak to conferees on the policy of conducting propaganda abroad, convey instructions from the central authority and make concrete demands. The conference was synchronized with the National Conference on United Front Operations and was thus obviously a match-up event to invigorize the regime's international propaganda campaign.

2. Planned work:

(1) Cleaning the Chinese Communist image:

In his work report Chu Mu-chih declared with pride that the Chinese Communists had cleared the Chinese people of the past impression that they were "an ailing nation in East Asia" and that the country had successfully repaired its much damaged image since the ravages of the Cultural Revolution. He added with emphasis that there should be efforts in future to continue to do away with the misunderstanding, doubts and misleading impressions that arise out of historical bias, obstructed information flow and misdirected work so as to create a favorable milieu for friendly cooperation and interflow with other peoples in the world and to enhance mutual understanding with them.

(2) Clarifying Peip'ing's political stand:

Hu Ch'i-li accentuated the need to "unambiguously clarify the Chinese people's firm stand that they will follow the characteristically Chinese socialist road." Chu Mu-chih enumerated the urgent tasks in conducting the regime's external propaganda campaign, emphasizing that, aside from the necessity to "use facts to tell the world that 'China' insists on practicality and will, by consulting factual circumstances, fuse Marxist theories with realities in 'China,'" the Chinese Communists should also see the need to tell the world that "'China' will open itself up not only to the West but also to the Third World, Eastern Europe and the Soviet Union."

(3) Paying careful attention to the mode of doing propaganda abroad:

First, there should be a correction of the two erroneous ways of propaganda: showing achievements only and "debasing one's own self as not worth a thing;" efforts should be made to "avoid historical nihilism and national nihilism;" second, there should be great efforts to "improve the way the written word is used...avoid empty didacticism and apriorism;" third, differences should be made between "what is properly domestic and what is properly not domestic;" in other words, what is properly domestic propagandistic material should not thoughtlessly transplanted on foreign soil; instead, one should keep in mind "relevance," designing and differentiating forms of propaganda fitting into different countries, areas and peoples and their values, esthetic criteria, ways of thinking and mental characteristics.

(4) Giving full play to the functions of "inward introduction" and propagation:

By "inward introduction" is meant the 'country' should try its best to "gain access to advanced scientific and technological knowledge, universally applicable economic and managerial skills and beneficial forms of culture" that are not present on the Chiense mainland; by propagation is meant that the Chinese Communists should say in unison that the regime is "peace-loving and determinedly opposed to hegemonism."

3. Summing up:

Peip'ing's design of propaganda, a product of its

consideration of realities in which it discards the chaff and keeps the wheat, together with the establishment of a special Central Subcommittee on Overseas Propaganda, may prove helpful in improving the regime's international image and facilitating its efforts to seek foreign aid, yet given the fact that Peip'ing is a member of the socialist camp and plays the role of a manipulator in the Third World, whether this design of propaganda is in agreement with the interests of the Free World remains in doubt in long-range terms.

Vietnam
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CONFIDENTIAL

DATE: December 26, 1986

SOURCE: Comprehensive Information

SUBJECT: Simultaneous Resignation of Vietnam's Three Top Leaders

Vietnam's top three leaders Truong Chinh, Pham Van Dong and Le Duc Tho resigned when the Communist party's 6th congress was held in Hanoi on December 15-18, 1986. Their simultaneous resignation will likely have a decisive impact on Hanoi's future policies. Detailed analysis follow:

1. Highlights of party congress:

(1) In the capacity of party general secretary, Truong Chinh delivered opening address by saying that policy blunders committed by top leadership have aggravated economic and social problems. In remedying the situation, he called for a nation-wide campaign to purify work style of the party in addition to policy modification and reforms. In the conduct of foreign relations, he stressed the need of maintaining a pro-Soviet policy and consolidating the strategic alliance among the three Indochinese states. Also, Truong Chinh expressed Vietnam's willingness to hold any level of talks with Peip'ing in a bid to achieve "normalization of relations."

(2) In a massive top leadership reshuffle, Party General Secretary Truong Chinh, Prime Minister Pham Van Dong and senior Politburo member Le Duc Tho simultaneously stepped down due to age and illness. The party congress also elected a 14-member politburo, in which 5 are new faces.

(3) At the congress, the Communist Party of the Soviet Union was represented by Regachev, who reiterated the close cooperation between Moscow and Hanoi and called on Vietnam to seek better relations with the Chinese Communists. Regachev told a press conference that the development of Peip'ing-Moscow ties will contribute to the "normalization of relations" between the Chinese Communists and Vietnam. He also assured Hanoi of increasing Soviet aid in the next five years.

2. Problems reflected:

(1) Signs of tension created by intra-party struggle:

Early before, factional fighting had been reported between conservatives and reformists. In July 1986 Truong Chinh won election as Vietnamese Communist leader replacing the late Le Duan. Since then rumors have circulated that Truong Chinh serves only as a transitional figure. The resignation en masse of Vietnam's three top leaders and the reformist Nguyen Van Linh's taking over as new head of the Vietnamese Communist Party signifies the result of compromise reached between the two factions. Also, the massive leadership reshuffle is aimed at pushing economic reforms by absorbing more reformed minded people in the top leadership.

(2) Social and economic problems to be resolved:

Vietnamese military occupation of Cambodia has not only caused Hanoi to incur a heavy burden of military expenditure, but also plunged the regime into international isolation. Since its economic problems were aggravated by the lack of foreign investment, Vietnam has to survive on Soviet economic aid. In spite of economic reforms introduced in August 1985, few gains have been achieved due to human errors and irrational system. On the other hand, corruption among party cadres and officials has resulted in a degeneration of virtues and lifestyle.

3. Summing-up:

(1) Based on the outcome of Vietnamese Communist Party's 6th Congress, Hanoi is likely to keep pace with Soviet "peace overture" by implementing massive reforms and seeking better ties with the Chinese Communists as well as the ASEAN countries.

(2) Internally, the new ruling hierarchy would likely proceed with various reforms, revamping of leadership groups at all levels and increasing of agricultural production, while it is pushing rectification campaign. But the move is likely to meet resistance from local mid-level cadres.

(3) Externally, the new leadership will stress

the importance of close cooperation between Moscow and Hanoi, and come up with a "smiling diplomacy" in response to the Soviet "peace overture" in an effort to ease international tension. In dealing with Kampuchean issue, the new leadership is inclined to seek a peaceful settlement; but it would never relax its control over the Laos and Cambodia. Although Vietnamese military occupation of Cambodia remains a thorny issue between Vietnam and the Chinese Communists, Hanoi would encourage Peip'ing to open dialogue with Cambodia so as to eliminate difference, thereby bringing about a Peip'ing-Hanoi rapprochement.

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CONFIDENTIAL

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N°002

DATE: January 27, 1987

EVALUATION: A - 2

SOURCE: Documentary Information

SUBJECT: Chinese Communists to Shrink Construction Scale

Official Chinese Communist sources disclosed on January 21 that Peip'ing's Finance Minister Wang Ping-ch'ien had told a recent "Construction Bank Work Conference" that the scale of infrastructure construction would be shrunk to a "level commensurate with the national strength." Wang was quoted as treating this as an urgent task for 1987. Wang's major points are:

1. Current issues:

(1) Improper investment administration:

Over-size investments have been scattered around while investment in key sectors continues to be insufficient. Despite their already excessive investment, certain agencies and areas still are asking for additional investment items.

(2) Continuous growth of extra-budget investment:

Mainly because of additional arrangement for processing industries and projects of non-productive nature, the issue of too much extra-budget investment has not turned for the better. In contrast, certain key state construction sectors -- energy and transportation, for example -- have not been assured of necessary capital.

2. Proposed measures:

(1) Development of capital sources:

The State Council has decided to have some portions of construction bonds issued directly by banks and indirectly through their agencies including enterprises. The scattered extra-budget capital in society is thus to be channeled into state-planned infrastructure construction projects.

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(2) Enhanced capital administration:

A. The task of item-by-item evaluation will be done better in terms of both quality and quantity so that there will be no policy mistakes causing major loss or waste.

B. Further best possible screening of project estimates and budgets. Advices will be given those stepping out of control in a blind quest of higher degrees of construction performance.

C. Enhanced screening of expenditure and an end to irresponsible monetary collection and allocation. Greater efficiency of construction agencies will be sought on a wider and deeper scale so that there will be growing gains instead of losses. The goal is "loans instead of allocations" so that invested capital can be drawn back for further investment use.

RPGH

CONFIDENTIAL

N°-007

135/3

DATE: January 6, 1987

SOURCE: Comprehensive Information

SUBJECT: First Chinese Communist Normalization Talks with Laotians

Chinese Communist Vice Foreign Minister Liu Shu-ch'ing was in Laos on December 20-25 last year for talks on matters related to normalization of relations. The first such contact between the two sides in eight years, the undertaking no doubt will exert certain influence on the development of Southeast Asian situation. An analysis follows:

1. Backgrounds of talks:

(1) Influence of Gorbachev policy:

Following Mikhail Gorbachev's speech in Vladivostok last July 28 on his new Asian policy, leaders of Vietnam and Laos expressed their willingness to improve relations with the Chinese Communists.

(2) Initiative taken by Laotians:

The foreign ministers of the three Indo-Chinese states held their 13th Conference in August last year and expressed in their joint communique that the three states were willing to discuss normalization, at any time and on any level, with the Chinese Communists. Additionally, the communique specifically called on the Chinese Communists to bring up substantive suggestions on ways to improve bilateral Sino-Laotian relations. The Lao People's Revolutionary Party reiterated at its 4th Congress in November that it wanted to improve ties with the Chinese Communists and Thailand.

(3) Active Chinese Communist response:

Upon learning about the Lao willingness, the Chinese Communists immediately responded with the announcement that Liu Shu-ch'ing would bring a delegation to Vientiane for talks on normalization.

2. Aims of talks:

(1) Lao drive to end isolation:

As an inland country Laos has to depend on neighboring countries for its external transportation and trade. Following the 1975 communization of the three Indo-Chinese states, Laos became a satellite of the Soviet Union and Vietnam and its external economic and trade activities have since come to a near standstill. Domestic production has been on the decline and the economy has turned from bad to worse. Vientiane wants more contact with the Chinese Communists so that isolation will end and more foreign assistance may be obtained.

(2) Chinese Communist design against Vietnam:

The Chinese Communists want to win Laos over to their side and separate Vientiane from Hanoi. Because Vietnam will not pull its troops out of Cambodia, the Chinese Communists find it difficult to better Vietnamese ties. Coming at such a time, the Liu visit to Vientiane was, as a Chinese saying goes, to throw a stone into a house to find out if the occupants are awake. Instead of directly tackling the Vietnamese issue, the Chinese Communists are now working on the Laotians in a move to sever the Hanoi-Vientiane alliance.

3. Summing-up:

(1) Vietnam's armed occupation of Cambodia — a step to the goal of an Indo-Chinese federation of states — has constituted serious threat to the ASEAN members. Although Liu's Vientiane visit did not yield any concrete result, the two sides agreed to meet in Peip'ing at an appropriate date for the second round of talks. This, the ASEAN members feel, is helpful to the area's peace and stability. It also is to be noted that Liu Shu-ch'ing went to Bangkok directly from Vientiane for consultation on related matters. Quite understandably the ASEAN members, Thailand in particular, are eager to see the Chinese Communists improve their relations with Laos. One way or the other, openly or from behind the scene, the ASEAN members most certainly will be working for tie improvement between the two Red regimes.

(2) That Vientiane took the initiative to start talks with Peip'ing obviously was at the behest of Moscow and Hanoi and geared to Gorbachev's peace offensive moves in Asia and the Pacific. However, Laos is under strict Soviet and Vietnamese control and the three Indo-Chinese states are, as a group, a strategic cornerstone of the Soviet Union in the Asia-Pacific region. How much Laos can improve its relations with the Chinese Communists will depend not only on how Moscow and Hanoi feel about the matter but also on the extent of Peip'ing-Moscow and Peip'ing-Hanoi betterment of relations.

(3) If Laos succeeds in improving its ties with the Chinese Communists, the Vietnamese probably will also seek reconciliation with the Chinese Communists. This will be at Moscow's behest, but Vietnam itself will feel the need because of its growing economic predicament and military burden.

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Nº 001

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DATE: January 14, 1987

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Document to Curb Bourgeois Liberalization Issued by Chinese Communists

The Chinese Communist Party Central Committee has recently issued "Document No. 1" giving guidelines for the crack-down on bourgeois liberalization. Major points of the document follow:

1. Making all-out efforts to combat bourgeois liberalization:

Party propaganda organizations are instructed to focus their attention on two aspects: i.e., to publicize the superiority of socialism and expose problems stemming from bourgeois democracy.

2. Acting with discretion in solving problems in ideological front:

Some party cadres who think highly of themselves and are reluctant to persist in the "four cardinal principles" or unwilling to oppose bourgeois liberalization should be severely censured. It is necessary to draw a clear line between those who show fervent enthusiasm in bourgeois liberalization and those who are muddle-headed reform advocators. Also, it is necessary to work out a final solution of the problems by using appropriate methods without repeating historical errors.

For the past five consecutive years, the Chinese Communist Party Central Committee used to issue its first annual document on agriculture or agricultural reform program. To the contrary, it comes up this year with its first annual document devoted to the crackdown on bourgeois liberalization. The move seems to have something to do with the recent campus unrest on the mainland.

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N°006

DATE: January 14, 1987

SOURCE: Comprehensive Information

SUBJECT: Western Political and Economic System Censured by Peip'ing's Media

1. Comprehensive analysis:

Mainland student demonstrators told the Chinese Communists that they want democracy instead of "four cardinal principles." In response, the regime insisted that only "socialist democracy" is "genuine democracy," noting that Western "democracy" is virtually "false democracy" for bourgeois dictatorship. Peip'ing's efforts to renew Marxist-Leninist tenet came at a time when the Tengists are persisting their policy of "opening" the mainland to the West. This development not only bares the regime's internal contradictions, but also exposes its true nature of enmity against the West.

2. Measures taken by the Chinese Communists:

(1) State-controlled media mobilized:

News papers, journals and other periodicals financed by the party, government and military organizations of the Chinese Communists, and local papers as well as broadcasting stations on the mainland were instructed to publish editorials and sponsor forums aimed at censuring Western systems. Additionally, returned scholars from the United States and Europe, foreign scholars invited to visit the mainland and some pro-Peip'ing "democratic parties" were asked to deliver lectures or write articles to condemn the erosive and decadent system of capitalist countries. All these are designed to discourage mainland students from yearning for Western democracy.

(2) Criticism focused on the following:

A. Western democratic system is criticized for serving capitalist private ownership by means of bourgeois dictatorship.

B. Western "bourgeois civilization" is

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blamed for exploiting and chiselling proletariat, bringing about crimes and decadent tendencies.

C. Western political and economic system is condemned for putting money above everything and advocating "false equality and freedom."

D. To support its criticism, the regime selected the United States as a negative example by saying that no U.S. citizen can run for public office without money, and American farmers and workers are denied the entry into congress. Peip'ing also censured American judicial system, saying that poor people can not afford going to law with the rich because lawyer's fee is too expensive.

3. Conclusive analysis:

(1) During the period of "Cultural Revolution," the Chinese Communists had launched a campaign against Western capitalism and Soviet revisionism under the instruction of the party's Central Committee with both the United States and the Soviet Union selected as "negative teachers." This time, it is mainland students' pro-democracy demonstrations that prompted the regime to condemn American political and economic systems; and the United States was again selected as a "negative teacher." This development should indeed deserve American's attention.

(2) To deal with students democracy demonstrations, the Chinese Communists sought to beg help from Marxist-Leninist tenet; and to placate the conservative force within the party, the Tengists had to make "reinterpretation" of the Communist traditional dogmatism. With the approaching of the party's 13th national congress, this unfavorable development would present the Chinese Communist top leadership with a new challenge in pursuing the reforms.

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N°001

DATE: January 21, 1987

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Politburo Action on Hu Yao-pang's Resignation

Official Chinese Communist sources disclosed January 16 that the CCP Central Politburo held an expanded meeting that day and issued a communique. Pertinent points are:

1. Participants:

Present were 18 members of the Politburo, 2 alternate Politburo members, 4 secretaries of the Central Secretariat, 17 key members of the Central Advisory Commission, 2 responsible persons from the Central Commission for Discipline Inspection, and a few other related cadres, for a total of nearly 50.

2. Steps taken:

(1) Hu Yao-pang made a self-examination of the mistakes he had committed as general secretary of the CCP Central Committee -- mistakes in violation of the party's principle of collective leadership and made in connection with major matters of political principle. He requested that he be permitted to resign his general secretary post.

(2) The meeting seriously criticized Hu as a comrade but also affirmed the "positive side" of his record of performance. The following decisions were made:

A. It was unanimously agreed that Hu's resignation as the CCP Central's general secretary be accepted.

B. Chao Tzu-yang was unanimously chosen as acting general secretary.

C. These two decisions would be submitted to the plenary session of the Central Committee for confirmation.

D. Hu Yao-pang would be retained as a member --

and concurrently standing member — of the Central Politburo.

(3) The meeting reiterated the party's line, plan, and policy. The following points were made:

A. Continuation of the line, plan, and policy — both internal and external — followed since the 3rd Plenary Session of the 11th CCP Central Committee that was held in December 1978.

B. Continuation of persistence in the four cardinal principles, with resolute opposition to bourgeois liberalization.

C. Continuation of persistence in economic construction as the focal point of all-out effort to develop the productivity of society.

D. Continuous promotion of an across-the-board reform in line with the economic policy of "external opening and internal invigoration."

E. Continuous development of socialist democracy, perfection of a socialist legal system, consolidation and expansion of the Patriotic United Front, and exertion for the Seventh Five-year Plan.

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DATE: January 21, 1987 Nº 005

SOURCE: Comprehensive Information

SUBJECT: Points of 1987 CCP Central Document No. 1

1. Unusual behavior:

For five years in succession the Chinese Communists had been holding annual year-end "national rural work conferences"to review the progress of rural economic structure reform and formulate measures for further promotion of the reform, then submit the findings and resolutions to the CCP Central for approval and publication — in the form of "Central Document No. 1" — in the first half of January with calls for observance. The latest such annual conference was held a month earlier, in November 1986, and a new guideline — "consolidation, implementation, perfection, coupling" — was made known then. The earlier-than-usual convocation obviously was for better readiness for stepped-up promotion, but no related announcement has so far been made. Meanwhile, this year's Document No. 1 demanded efforts to study "Major Remarks by Teng Hsiao-p'ing on the Current Student Unrest." Calls are that all the party, administrative, and military sectors persist in the four cardinal principles and be opposed to bourgeois liberalization. This treatment of the document certainly was unusual.

2. Outline contents:

(1) Call for firmness of stand:

The call is for "all-out, resolute continuation of struggle against bourgeois liberalization" so as to "safeguard unity and stability." The document says that this struggle has closely to do with the future of the party and socialism and will decide the success or failure of the policy of "reform" and "openness."

(2) Unified publicity endeavor:

It is stipulated that effort be continued in the year ahead to publicize the superiority of socialism and expose the falseness of bourgeois democracy. This, the document says, is in coordination with the struggle against bourgeois democratization.

CONFIDENTIAL

(3) Specific disciplinary demands:

Very stern demand is made that the party enhance its leadership on the ideological, educational, and theoretical fronts and see to it that all thinking becomes aligned with the plan and policy of the Party Central. All those who disregard party discipline and continue to spread words about liberalization should be insistently asked to withdraw from the party. Offenders in responsible positions are to be dealt with particularly sternly.

(4) Principle of management:

For works to be performed in best possible ways, there should be distinction between those bent on bourgeois liberalization and those who advocate reform but are ideologically confused. The demand also is that "issues must be settled" but "mistakes of the past are not to be committed again." What is meant here is that there should be no repetition of the kind of struggle that took place during the Cultural Revolution.

3. Possible development:

(1) That the Party Central did not issue its Document No. 1 this year according to the past practice of treating rural agricultural structure reform as the central theme suggests that shocks were sharp and no final resolution could be made. Apparently the whole program of economic structure reform has been affected. But the Teng group, all by its own, is still attempting to continue reform and openness. Whether this policy will be pursued with greater or less strength hereafter depends on the shape of the reformist group vis-à-vis the conservatives.

(2) In waging his struggle against bourgeois liberalization, Teng Hsiao-p'ing by and large is following Mao Tse-tung's principle of "cure the disease to save the man" and "to each his specific treatment." Strict demands are made, but some room of flexibility is left at the same time. If he decides to heap blames mainly on Hu Yao-pang, extensive sacking is not likely and Cultural Revolution-type commotions will be avoided.

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DATE: July 30, 1986

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Chinese Communists to Build Piers for Columbia

According to information disclosed by the Chinese Communists, an accord called Santa Marta Pier Construction Agreement was signed in Bogota, Columbia on July 25, 1986 by Liu Teh-hung representing the "China Harbour Engineering Co." and Jaime Sanchez representing the Columbian Harbour Co.

As per this agreement, the "China Harbour Engineering Co." will undertake to construct 3 piers for the Santa Marta port. This project, worth US$8 million, is scheduled to start two months after the signing of the agreement and complete within the next 25 working months. Some 50 Chinese Communist engineers and technical personnel will be leaving Shanghai for Columbia shortly.

Note:

Santa Marta, located at the northern part of Columbia, is one of the largest seaports in the Caribbean sea. This project is the first one ever committed by the Chinese Communists in South America.

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DATE: June 30, 1986

SOURCE: Comprehensive Information

SUBJECT: On Peip'ing's Efforts to Introduce Course of "Militaristic Dialectics" in Military Schools

Brief Summary:

The Chinese Communist military schools have been instructed to begin a new course called "Militaristic Dialectics" to cultivate and upgrade military cadres' commanding art, logical thinking and philosophic culture. A recent review of the "Manual on Militaristic Dialectics" indicates that the Peip'ing regime's ideological education is mainly aimed to:

1. Familiarize cadres with the idea that war is a continuation of politics;

2. Acquaint cadres with the double-faced scheme of alternating peace and war;

3. Enable cadres to flexibly apply the theory of "people's war" advocated by Mao Tse-tung; and

4. Remind cadres of their obligation for world revolution. Since cadres' education reflects Peip'ing's long range strategy, this development should indeed merit our attention.

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Commentary and Analysis:

1. Introduction of the manual:

Edited by an ad hoc team consisting of selected personnel from 17 military schools in Peip'ing area, the "Manual on Militaristic Dialectics" has some 460,000 words contained in 30 chapters. Though arbitrary and irrelevant in theoretical basis and logic structure, the manual is rich in content and characterized by an orderly system. In view of the above, the regime's efforts to promote education for military cadres in the ideological field should deserve our attention.

2. Trend of ideological development:

(1) Persistence in military theory:

The Chinese Communists used to believe that "politics" is bloodless "war," while "war" is bloody "politics." The regime also believes that "war" and "struggle" are a two-in-one combination. In the eyes of the Chinese Communists, the so-called "struggle" means the "war" waged with peaceful means.

(2) Familiarization of double-faced trickery:

The Chinese Communists used to emphasize that "peace" means only a temporary suspension of hostilities, and that proletariat must make full use of the

peaceful condition to step up "four modernizations" and benefit itself by utilizing capitalists.

(3) Development of Mao Tse-tung's theory of "people's war":

The Chinese Communists stressed that "Masses of the people are a deciding force of victory," and that "troops are armed masses, while masses are sources of troops." Since Peip'ing's defense armed forces are based on a "three-in-one" combination system which calls for a combination of people's liberation army, people's armed police and militia. Mao Tse-tung's thought apparently remains the guiding principle for the regime's military construction program.

(4) Strengthening cadres' sense of responsibility for world revolution:

The Chinese Communists believe that Mao Tse-tung's military thought is of practical value to the proletariat in its revolutionary efforts. In pushing military education program, the regime's persistence in world revolution and its consistent efforts to establish itself as a "revolutionary model" for the Third World may pose a potential threat to the free world.

(5) Integration of Chinese and foreign

military ideology:

Peip'ing wants to study ancient, modern, Chinese and foreign military ideology by employing the "law of contradiction" and with Mao Tse-tung's theory of "people's war" as guiding principle. And by adopting the methods of criticism, absorption, reform and application, the regime may have various ideology integrated in an attempt to form a theory and principle suitable for "waging people's war under current circumstances." Peip'ing's "academic ambition" as mentioned above not only has an impact on its military ideology, but also reflects its strong desire for military expansionism. This development should indeed merit our utmost attention.

Reference Datum:

"Manual on Militaristic Dialectics" by editor-in-chief Lin Po-yeh, published by "People's Liberation Army Press" and printed by 7219th Printing Plant in October 1985.

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DATE: August 20, 1986

SOURCE: Comprehensive Information

SUBJECT: Assessment of Peip'ing's Efforts to Better Ties with Communist Parties of Other Countries

Brief Summary:

1. Instead of posing itself as a model among Communist countries engaging in socialist revolution and construction, the Chinese Communist Party adopted an attitude of treating comrades on the basis of equality, emphasizing that Communist parties of all countries may take their own path of revolution and construction by integrating Marxism-Leninism with the characteristics of their own countries. The move is aimed at coping with the current international Communist movement calling for the development of "multi-centers," and counterbalance the criticism made by Communist parties of other countries regarding Peip'ing's ongoing economic reforms.

2. As the trend for reforming "socialist economic structure" is prevailing among Communist countries,

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the Chinese Communist Party has put aside its ideological struggle against the Soviets. In response, Mikhail S. Gorbachev has recently made a overture offering to discuss cuts of Soviet troops stationed in Outer Mongolia as part of Moscow's efforts to remove what Peip'ing called "three obstacles." As the situation stands, a further thaw of the long-strained bilateral ties is likely. In an effort to develop party-to-party relations with other Communist countries, the CCP may establish itself as a "leadership center" despite its claim that international Communist movement must be void of the "center." On the other hand, Peip'ing's move may contribute to the integration of international Communist movement. These developments should indeed deserve our attention.

Commentary and Analysis:

1. Efforts in developing relations:

The Chinese Communists began to adjust their attitude toward Communist parties of other countries after the "Cultural Revolution." In September 1982 when the "12th Party Congress" was in session, the CCP came up with the "four principles" for developing relations with Communist parties of other countries. On the basis of the said principles, it has succeeded in restoring relations respectively with the Communist parties of Italy, Spain, Greece, Holland, France, Sweden, Belgium and Great Britain. And new ties were set up with Communist parties of India, Brazil and some other countries in Asia, Africa and Latin America.

2. Principles for developing relations:

(1) To develop relations with Communist parties of other countries on the basis of Marxism-Leninism, and under the principle of "independence, equality, mutual respect and non-interference in internal affairs."

(2) International Communist movement have no leadership center with all member parties being on equal footing.

(3) According to their respective national condition, each party can make its own decision on how to move toward socialism and establish a socialist country.

(4) Each party has the right to make exploration and renovation of Marxist theory; No party has the right to force others accepting its own standard.

3. Summing-up:

(1) With the trend calling for reforming "socialist economic structure" prevailing among Communist countries, the CCP has put aside its ideological struggle against the Communist Party of the Soviet Union. In response, the Kremlin has recently made an overture offering to withdraw troops from Afghanistan and cut the number of Soviet troops stationed in Outer Mongolia as part of its efforts to remove the so-called "three obstacles" blocking Peip'ing-Moscow normalization. As the situation stands, a further thaw of the long-strained relations between the two Communist neighbours is likely.

(2) In its efforts to develop party-to-party relations with other Communist countries, the CCP may establish itself as a "leadership center" despite

its claim that international Communist movement must be void of the "center." On the other hand, Peip'ing's move may contribute to the integration of international Communist movement. These developments should indeed merit our attention.

CONFIDENTIAL

DATE: January 6, 1987

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: "Results Achieved in Development of Moscow-Peip'ing Relations": Soviet Version

Soviet Deputy Foregin Minister Vegor Ligachev recently made a special report on the "results achieved in the development of Moscow-Peip'ing relations" to the leaders of various Soviet organizations, of which the main points are as follows:

1. Since the Moscow-Peip'ing normalization talks opened in 1982, there has been an obvious improvement of relations between both sides.

(1) On the government side:

The foreign ministers of both sides have held talks in the United Nations General Assembly and mutual visits exchanged between officials on the vice-premier's level. Both sides have signed the "new consular treaty" and agreed to re-open the "border talks" in this spring. Taken together, it indicates that the governmental relations between the two have been expanding.

(2) On the economic and technological sides:

The "Sino-Soviet Cooperative Committee on Economy, Trade, Science and Technology" met in March, 1986 in Peip'ing in which it was agreed to hold the next meeting in the spring of 1987. In addition, both sides have agreed to expand their border trade, and a large-scale trade show will be respectively held for the first time in 30 years in Moscow (July) and Peip'ing (December) this year. Taken together, it indicates that the economic and technological cooperation between the two has been growing fast.

(3) On the cultural side:

In view of the establishment of the sisterhood relations between the major cities of both sides as well as the exchange of activities in the cultural, sports and educational

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fields, it indicates that the cultural relations between the two have gradually come back to the good old days in the 50s.

2. As to the area of disputes, particularly in dealing with certain international issues, it is said that it has been getting closer. For instance, both sides are committed the obligation not to employ the nuclear weapons first and will oppose the militarization of the space, whichever form it may be.

Notes:

According to information recently disclosed by one of the Soviet delegates having taken part in the 9th round of the normalization talks, the main disputes in the "Sino"-Soviet normalization talks revolved round:

1. The question of Vietnam to pull out troops from Cambodia:

The Soviet Union held that this question could be resolved only by direct negotiation between Peip'ing and Hanoi, hence the latter must first normalize its relations with the former. The Chinese Communists argued that had they started direct negotiation with Vietnam, it would be tantamount to acquiescing its occupation of Cambodia a fait accompli. Hence, to settle this question once for all the Soviet Union should stop supporting Vietnam from invading Cambodia.

2. The question of security:

The Chinese Communists asserted that it was the Soviet threat to the security of the Chinese mainland that had constituted the negative factor of the Moscow-Peip'ing rapprochement. For instance, Soviet reconnaissance planes were found flying over the border as many as 37 times during July-October, 1986. The Chinese Communists also pointed out that the Soviet Union had never stopped making espionage activities on the Chinese mainland.

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DATE: July 17, 1986

SOURCE: Comprehensive Information

SUBJECT: Peip'ing's Assessment of Development of International Situation in Next Five Years

Brief Summary:

In July 1985, a symposium was held by the Chinese Communists in the city of Peip'ing to study the "International Political Environment for Modernization of China in the Late 1980s." The symposium has reached a conclusion that the regime will be favored with a "basically stable and peaceful" international situation for its economic construction in the next five years. In view of the above, the Chinese Communist basic strategy is to seek the greatest benefits from the West by taking advantage of the "triangular relationship." Apparently, Peip'ing aims to cater to the West's wishes of improving ties with the regime for the purpose of boosting its economic, technological and military strength. The regime's success in carrying out the aforesaid strategy would likely have an adverse impact on the West.

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Commentary and Analysis:

The "Research Institute on International Relationship" under the "State Council" held a symposium on "The International Political Environment for Modernization of China in the Late 1980s" in July 1985 to assess the international situation in the next five years. Details are analyzed below:

1. Two points of conclusion reached:

(1) In the next five years, the United States and the Soviet Union would make sustained efforts to vie for hegemony; but international situation will be "basically stable and tending to relax." On the other hand, regional competition will lose momentum from "hot point" to "warm point" to the advantage of Peip'ing's economic construction.

(2) Since the Chinese Communists derive their "economic benefit" primarily from western democracies headed by the United States, Peip'ing's diplomatic emphasis will still be placed on Washington. Instead of making giant steps, the regime should tread cautiously in seeking rapprochement with the Soviet Union. Moreover, the Chinese Communists must manage to seek great benefit

from the West by making full use of the "triangular relationship."

2. Summing-up:

(1) Being a "state-owned" academic organization, the "Research Institute on International Relations" advises the "State Council" on diplomatic affairs. In line with the regime's efforts to implement the seventh five-year plan, the aforesaid symposium was held to assess the international situation in the next five years. Immediately after the symposium, major points of the conclusion reached were circulated among leading cadres for study. The move is apparently designed to achieve an internal consensus through policy publicity.

(2) The conclusion reached in the symposium reflects that Peip'ing will make sustained efforts to maintain its current foreign policy of luring assistance from western democracies in developing its economy, upgrading its technology and boosting its military strength. Implementation of this strategy would indeed pose a threat to the free world.

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N° 008.

135B

DATE: January 6, 1987

SOURCE: Comprehensive Information

SUBJECT: Analysis of New Escalation of Border Dispute Between Chinese Communists and India

On December 9, 1986, the Indian Parliament enacted a law, elevating to statehood Arunachal Pradesh, which formerly had been under the direct administration of the central government. As the territory belongs to the eastern section of the unsettled border area between China and India, the news immediately elicited a stern protest from the Chinese Communists, leading the territorial dispute between the two sides to a trend of new escalation. The following is an analysis:

1. Focus of contention:

(1) For a long time the Chinese Communists and India have contended incessantly for the territorial problem. Since the border war of 1962, territorial disputes have become even more complex. Among them, because the western section now occupied by the Chinese Communists is an important strategic area, it elicited the hottest contention. Next is the eastern, Indian-controlled area, south of the so-called McMahon Line. The above territorial disputes have become the main barrier in the "normalization of relations" between the two sides.

(2) After Teng Hsiao-p'ing came to power, he nominally proclaimed a foreign policy of peace and good-neighborliness. Consequently, the Chinese Communists and India held the first border talks at the end of 1981. Up to July 1986, the two had conducted seven rounds of talks; however, no agreement was reached, indicating obviously that both sides harbored vital divergences with respect to the territorial disputes.

(3) In order to place the focus of the talks on the eastern, Indian-controlled section, and to force India to accept a plan to settle all disputes in one stroke, the Chinese Communists dispatched troops in July 1986 to cross the McMahon Line and enter the Zantolami River Valley. Following repeated but futile protests, India adopted the measure of elevating the

status of the border administrative area in order to show its determination of confrontation.

2. Development of the situation:

(1) Arunachal Pradesh was incorporated into the jurisdiction of India a long time ago; it was elevated to statehood recently. Although this was a symbol of India's refusal to make concessions, it has not constituted a direct act of aggression against the Chinese Communists. Moreover, when the Soviet leader Gorbachev visited India last November, he supported India's position. Consequently, the Chinese Communists would unlikely resort to force in trying to settle the question.

(2) Right now the Chinese Communists and India have all resolved to maintain their territorial sovereignty and integrity; nevertheless, they are both dedicated to domestic economic reconstruction, unlikely to start hostilities. Especially, the Chinese Communists aimed mainly at hampering India's effort to apply military pressure on Pakistan and preventing India from getting even closer to the Soviet Union. For this reason, the two sides would respectively restrain themselves and continue to maintain the bilateral relations in trade, economic, sci-tech and cultural cooperation.

(3) An elevation, by India, of its occupied border area to a statehood will substantially increase its effective control of the area to prevent Chinese Communist infiltration activities. At the same time, Peip'ing will no doubt step up its military build-up along the Chinese border. Although this may not lead to a second Peip'ing-New Dalhi war, it will surely escalate the situation of confrontation, along the Chinese-Indian border between the two Asian neighbours.

3. Possible impact:

(1) In consideration of maintaining a peaceful international ambience, the Chinese Communists would continue to try to settle the territorial disputes through political negotiations; however, India's measure of elevating the status of the area under its control this time would greatly restrict the room of compromise in the border talks between the two sides. Consequently, the talks will face more resistance.

(2) A detente between the Chinese Communists and India would reduce the intervention of the superpowers in this area. And the escalation of the dispute between the two would force India to get closer to the Soviet Union, seeking powerful support. As a result, Soviet influence in South Asia would increase. Besides, the freezing of the Peip'ing-New Delhi relations would place Moscow in an advantageous pivotal position between the two.

(3) The worsening of the relations between the Chinese Communists and India would lead to the escalation of the confrontation between India and Pakistan, for the Chinese Communists would help Pakistan develop nuclear weapons in order to hamper India, making it face threats from two sides. At that time, if the relations between India and Pakistan became tense, the Chinese Communists would seize the opportunity to apply pressure on India; then the situation in South Asia would become even more volatile and restless.

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EXCHANGE OF INFORMATION
CONTENTS

February 1987

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DATE: February 18, 1987

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Hu Yao-pang's Ranking in CCP Ruling Politburo Dropped to Bottom

Wei Chieh, deputy commander of the Chinese Communist Ch'engtu Military Region, died recently in Peip'ing. At his funeral service held on February 14, 1987 the wreaths sent by the 5 standing members of the CCP Central Political Bureau were displayed respectively in order of Chao Tzu-yang, Teng Hsiao-p'ing, Li Hsien-nien, Ch'en Yun and Hu Yao-pang. Thus, Hu's ranking in the CCP ruling body has dropped from the top first to the bottom 5th.

Note:

Hu has not appeared in public since he resigned from his post as CCP's "General Secretary" on January 16, 1987. Even his name was withdrawn from public functions until on such an occasion as mentioned above.

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DATE: February 26, 1987

EVALUATION: A - 1

SOURCE: Documentary Information

SUBJECT: Chinese Communist Media Republish Teng Hsiao-p'ing's Speech on "Centralized Democracy"

The Chinese Communist propaganda machines have recently republished a speech made by Teng Hsiao-p'ing at an "enlarged meeting of the party authorities" (also known as "the 7,000-people meeting") held in January 1962. At that meeting Teng underlined the importance of "centralized democracy" -- a "superior tradition of the party" and claimed that the Chinese Communist Party would restore and go by this system resolutely. Teng's speech can be summarized as follows:

1. Mao Tse-tung once dwelt on "centralized democracy" on a very high plane and asked the people what they would wish to have: socialism or capitalism, or the proletarian dictatorship or the bourgeoisie's dictatorship? The problem with China is really as Mao Tse-tung said: Without proletarian democracy or without a proletarian centralized system there would be no socialism and capitalism would manage to have a comeback.

2. The weakening of centralized democracy has helped the growth of separatism and "decreeism" and increased the defects and errors in all sorts of work. If the party wants to restore its superior tradition -- centralized democracy, it must take care to go by the following:

(1) Before any decision is made with regard to a problem, party members can speak up as they like; however, they are not allowed to disobey the resolutions passed by the party and not allowed to engage in factional activities.

(2) A leader must bow to the consensus of the majority if he wants to see decisions smoothly executed. He should never take his own words as law. A leader must be tolerant and be patient to listen to the other side of the story. He must also be modest and circumspect.

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DATE: February 26, 1987

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: "Production and Economy" Economic Readjustment Measures Get Enforced Across Chinese Mainland

As revealed by the Chinese Communist State Economic Commission, the Peip'ing regime is now propelling a nationwide drive to increase production, economize, add to income and curtail expenditure. Related details are as follows:

1. The provincial party committee and provincial government of Honan have recently dispatched four investigation teams to investigate and study the shortage of electric power in the provincewide production program in 1987 and urged the teams to tackle the problem right on the spot.

2. The economic commission of Peip'ing has recently organized an investigation team to gather related data from the industries and businesses in Peip'ing in the hope that they can use such data as a basis on which to formulate concrete measures.

3. All the municipal departments of Shanghai are estimating the businesses in the city so as to find a base for fashioning the objectives of the production and economy drive and the measures to achieve such objectives.

4. The province of Chekiang has made known the objectives of industrial production for 1987 and the objectives of economic profitability to sychronize with industrial production. So far as retrenchment is concerned, the provincial government has suggested that it would cut back expenses of meetings, dinner parties and prizegiving for meritorious deed by 30 to 50 percent and also demanded all party and government organs not to buy any automobiles in 1987.

5. The province of Hupei has demanded businesses in the province to increase in 1987 the production of 250 items of saleable goods and curtail the production of 52 items of slow-moving ones.

6. The province of Hunan has demanded businesses in the province to boost the production of the 181 best-selling goods on the market and ensure such production by taking good care of such matters as the supply of raw materials, energy, the raising of funds, and transportation. It has also ordered restricted production or shift of production or stoppage of production, of the 34 slow-moving items of goods.

CONFIDENTIAL

DATE: February 18, 1987

EVALUATION: C - 3

SOURCE: Intelligence Report

SUBJECT: Chinese Communists Step Up Their Military Activities And Clout in North Laos

To strengthen their military operations against Vietnam, the Chinese Communists have stepped up their military activities and clout in North Laos. Details:

1. To find out where Vietnamese troops are deployed in North Laos and the positions of their missiles and cannons, the Chinese Communists have sent troops to invade Phong Saly and Nam Tha for more than a hundred times; the invasions included 2 by battalions and 130 by units at the company level and below and the extent of their invasions ranged from 30 to 80 kilometers. After they discharged their duties, Peip'ing's troops withdrew voluntarily to avoid clashing with Laotian soldiers.

2. To preclude the possibility of Vietnamese troops taking a detour through Laos to attack their flanks, the Chinese Communist troops bombarded Ou Neua (transliteration) in Phong Saly with their cannons for about 60 times.

3. A guerrilla force composed of mountaineers in Phong Saly and Nam Tha in North Laos, about 2,000 men strong, has been organized under Chinese Communist supervision. The training of guerrillas and the supply of their weapons and food are all taken care of by the Chinese Communists.

4. The Chinese Communists, together with the Thais, have organized more than 1,000 anti-Laotian government guerrillas in some North Thai locations such as Chiang Khaung (transliteration) and Phayao (transliteration).

Notes:

1. In Mid-Laos and South Laos there are guerrilla organizations of different factions and the number is in the lower thousands.

2. The Laotian Communists captured in 1986 more than 200 anti-government guerrillas. Upwards of 300 rebels also surrendered to the Laotian government.

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DATE: February 18, 1987

EVALUATION: C - 3

SOURCE: Intelligence Report

SUBJECT: Chinese Communists Rehabilitating Burmese Red Troops Retreating into Yunnan

1. Burmese government troops carried on January 13 such Burmese Communist footholds as Longma (transliteration), Kung Haung (transliteration) and Mang Hsiyone (transliteration), forcing 150-odd Burmese Communist soldiers to seek refuge at Suili, Yunnan province. The Chinese Communist troops at Suili pretended to disarm the Burmese, but actually they secretly hosted and rehabilitated them. Currently the guns and ammunition used by the Burmese Communists at their base at Yangjenkai (transliteration) are all supplied by the Chinese Communists at Lungchuan.

2. The Burmese Communists who withdrew on December 20, 1986 to Chefang, Yunnan, the place where Peip'ing's No. 10581 Troops are stationed, are still there receiving military training at the hands of the Chinese Communists. Local folks at Chefang speculated that the Burmese Communist withdrawal to Yunnan was because Peip'ing hoped to mend its relations with Burma, and that once the relations between the Chinese Communists and Burma should worsen again the Chinese Communists would step up, as they did before, their aid to the Burmese Communists to help them carry on their subversive activities in Burma.

Notes:

1. The Burmese Communist inland hospital on the Chinese mainland has moved from Wanting to Paoshan, Yunnan.

2. The Chinese Communists have aided their Burmese counterparts with 15 anti-aircraft machine guns to strengthen their air defense. In their battles with Burmese government troops, the Burmese Communist troops once used such machine guns to shoot down a military plane of their opponents.

CONFIDENTIAL

DATE: February 18, 1987

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Vietnam's Deputy Foreign Minister on Vietnam's Relations with Chinese Communists

Vietnam's Deputy Foreign Minister Ngyen Dy Nien paid a visit to Hungary on February 13 this year. While in Hungary, he offered some comment on Vietnam's stand on its talks with the Chinese Communists. The following are the essentials of his comment:

1. What Vietnam knew about the talks between Laos and the Chinese Communists:

In December 1986 the Chinese Communists came up with a four-point proposal in their talks with the Laotian Communists:

(1) The two regimes should establish ambassadorial ties.

(2) Their cultural groups should pay reciprocal visits.

(3) The Chinese Communists offer aid to Laos by way of trade relations.

(4) The two sides should open up the border area for families whose blood relations are separated.

The Laotian Communist response to this were three conditions:

(1) The Chinese Communists stop their training of anti-Laotian government elements.

(2) The Chinese Communists stop their aid to Kampuchean reactionaries in Thailand.

(3) The Chinese Communists cease to be hostile toward Vietnam.

Though the Chinese Communists had refused to accept Laos' terms, the talks were not called off.

2. The possibility of Vietnam holding talks with the Chinese Communists:

Vietnam holds that the split between Vietnam and the Chinese Communists consist less in the content of their disputes than in Peip'ing's being bent on giving expression to its megalomania or "big-country fixation." Whatever the regime does, in the eyes of Vietnam, stems from this fixation, a fixation embodied in its strategy, rather than from any border disputes or concern for Pol Pot. Thus, the Chinese Communists are unlikely to sit down for talks with Vietnam.

3. The why of the armed clashes between Vietnam and the Chinese Communists:

The latest offensive launched by the Chinese Communists against Vietnam was the seventh since 1979, a large-scale one. Judging from the timing of the offensives launched by the Chinese Communists against Vietnam, all of them were related to some particular foreign activities of Peip'ing or anniversaries or as an expression of Peip'ing's opposition to Hanoi's presence in Kampuchea. As to the latest military action against Vietnam, despite the fact that it was taken on January 7, the anniversary of Vietnam's "offer of military aid" to Kampuchea, Vietnam suspected that it had something to do with the domestic political situation of the Chinese Communists prior to the ouster of CCP's General Secretary Hu Yao-pang or with the foreign policy adopted by Vietnam at the Vietnamese Communist Sixth Party Congress, which the Chinese Communists resented.

DATE: February 18, 1987

SOURCE: Comprehensive Information

SUBJECT: Comprehensive Analysis of Recent Development of Relations Between Peip'ing and Moscow

In the past year the Chinese Communists and the Soviet Union have kept improving their relations in the economic, technological, cultural and educational areas. The only area in which they have achieved no great breakthrough is, as is expected, still the political one.

1. Striking features of the situation:

(1) The Soviet Union's tactical initiatives:

On July 28, 1986 Gorbachev proposed to the Chinese Communists that there be "a meeting of chiefs" in which to redraw the two regimes' common border line along the Heilungkiang. He also appointed Vegor Ligachev and O.A. Troyanovsky respectively Soviet representative at the normalization-of-relations talks with the Chinese Communists and ambassador to Peip'ing, both being higher-placed men in the Soviet communist hierarchy and members of Gorbachev's trusted group. Nikolai Talyzin, alternate member of the Soviet Politburo, First Premier of the Soviet Union and Chairman of the Soviet State Planning Commission, was also assigned the role of paying a visit to the Chinese mainland. What all this meant was that Moscow was taking initiatives to bring about greater advance in its relations with Peip'ing.

(2) The Chinese Communists sticking to their principle of separating economic matters from politics:

Earlier in April 1985 Teng Hsiao-p'ing expressed that the Soviet Union could choose any of the "three obstacles" that obstructed the talks between the two regimes on their normalization of relations and proceed to tackle it before it could tackle the others. However, when Moscow had withdrawn six regiments from Afghanistan and was ready to withdraw part of its troops in Outer Mongolia, Peip'ing reiterated its previous stand, saying that the "normalization" can

materialize only when all the three obstacles are removed. Obviously, the Chinese Communists are still sticking to their principle of separating economic matters from politics -- a principle emphasizing Peip'ing's substantive (economic and trade) relations with Moscow -- so as to seek a balanced development of their relations with the Soviet Union and the United States.

2. Important signs of progress:

(1) In political matters:

A. The normalization talks are still going on as scheduled.

B. Scheduled regular meetings have been held with participants at the deputy premier level instead of participants at the deputy foreign minister level.

C. In addition to an exchange of correspondence between the two regimes' premiers, the "chiefs" from both sides have also entered into dialogues in an indirect way.

D. The Soviet Union has established a consulate in Shanghai in exchange for Chinese Communist establishment of a consulate in Leningrad.

E. Both sides have agreed to reopen talks on border disputes which have not been held in the past nine years.

(2) In economic and technological matters:

A. The two sides have agreed to sign agreements on exchanging engineers, holding industrial and trade fairs reciprocally, cooperating in the utilization of water resources in the border area and in mercantile marine on the oceans.

B. The two sides have held the first meeting of their Joint Committee on Economic, Trade, and Technological Cooperation and the second meeting is slated to take place in coming May in Moscow.

C. The total amount of bilateral trade between the two sides in 1986 was about US$2.4 billion, up by 9 percent as compared with the one in 1985.

(3) In cultural and educational matters:

A. Chinese Communist Hsinhua News Agency has sent four correspondents to the Soviet Union in exchange for Tass's sending 4 correspondents to the Chinese mainland.

B. Chinese Communist newspaper the Economic Daily and the Soviet Izvestia have exchanged their reporters.

C. The Soviet Union has stopped jamming Chinese Communist radio broadcasts and ordered its cryptic radio stations to stop broadcasting to the Chinese Communist PLA.

D. The two sides have expanded their all-inclusive scholarly exchange.

(4) In other matters:

The Soviet Union has allowed its client states in Eastern Europe to improve their party and government relations with the Chinese Communists. The Chinese Communists and Outer Mongolia signed their consular treaty and long-term economic and trade agreement respectively in April and August 1986.

3. The trend of development:

The necessity of pushing domestic political and economic reforms has led both the Chinese Communists and the Soviet Union to be desirous of a peaceful international environment; hence, it is predictable that the two will keep on improving their economic, technological, cultural and educational relations. As to party and government relations, because the Chinese Communists are restrained by their relations with the United States, Japan and some Western nations and the realistic advantages derived from such relations, they are not expected to show any breakthrough in the nearest future. It is believed nevertheless that the two regimes' foreign ministers are likely to pay reciprocal visits within the year 1987.

DATE: February 18, 1987

SOURCE: Comprehensive Information

SUBJECT: Analysis of Trend of Japan's Military Buildup

In late January 1987 one of Japan's cabinet meetings decided to lift the ceiling of the country's defense budget, which was fixed at one percent of the Japanese GNP. The question of how Japan will handle its military buildup after this decision has become the centerpiece of international commentaries. The following is an analysis of the matter:

1. The trend of development:

(1) Boosting the inclinations for a military buildup:

Though Japanese public opinion is divided over the country's military buildup, a recent sampling poll showed that about four-fifths of the Japanese think that Japan is seriously militarily threatened by the Soviet Union. For this reason, it is very likely that the Japanese government, on the grounds that the Japanese people have a full understanding of the necessity of building a stronger defense force to defend Japan's independence, will take positive steps to boost the Japanese wish for a military buildup.

(2) Building a weapons system:

In the coming five years about one-fourth of Japan's defense budget will be spent in buying weapons. Moreover, to get moving a research and development project aimed at the production of new weapons, a number of private Japanese enterprises, such as Hitachi and Toshiba, have established departments to promote skills in national defense and made arrangements with the United States for military skills transfers in the hope that Japan can build its own weapons system.

2. Problems reflected:

(1) The drastic increase in the Soviet military

strength in the Far East has its pressure greatly felt in Japan. Though America has treaty obligations to protect Japan from any nuclear threat, Japan sees it realistically necessary to build its own conventional military strength.

(2) Japan has now risen to become an economic power of world status. To boost its status as a spokesman in world affairs, it must use its economic clout to help itself gradually become a political power. A political power must be balanced with its own military strength. Thus Japan sees it inevitable for itself to have a military buildup.

(3) To lessen its burden of defending Japan, the United States has for long years expected Japan to step up its military strength. According to polls conducted in the United States by the Japanese newspaper Sankei Shimbun over the past four years, about a third of the Americans polled thought that Japan's defense budget should be kept within one percent of its GNP while another third of the Americans polled thought that Japan's defense budget could be freed from its present ceiling and raised up to three percent of its GNP. Obviously the United States thinks that a limited military buildup in Japan can best serve U.S. interests in Northeast Asia.

3. Potential impact:

(1) Japan's attempts to increase its military strength will inevitably incense the Soviet Union, which will correspondingly strengthen its military relations with North Korea and Vietnam. The result will be an increase in military activities in the Asia-Pacific region and turn the regional situation into a more unpredictable one.

(2) A strengthening of Japan's defense power will have positive effects on those Western Pacific democracies who are concerned about their own defense power and will also dent America's high opinion of the Communist regime on the Chinese mainland as a strategic partner.

(3) Despite Japan's repeated assurance that its military development is for the sake of defense rather than

preparations for aggression, Asia-Pacific nations, still jittery about Japan's history as an aggressor, might be forced to beef up their multi-level relations with the Chinese Communists and the Soviet Union to stymie the rebirth of Japanese militarism, while the Chinese Communists and the Soviet Union, under the pretext of maintaining a strategic balance in the region, could make more of an effort to accelerate their military buildups and expand their influences in the Western Pacific area.

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EXCHANGE OF INFORMATION
CONTENTS

March 1987

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DATE: March 13, 1987

EVALUATION: A - 1

SOURCE: Intelligence Report

SUBJECT: Chinese Communist Chungfa Paper No. 1, 1987 and Mayor of T'ientsin Li Jui-huan's Speech on Student Demonstrations

1. Notes on the documents:

After student demonstrations erupted across the Chinese mainland during the first half of December 1986, the communist authorities first tried to placate the students and dissuade them from staging the demonstrations, but soon after they decided to get tough with them by publishing regulations governing assemblies, parades and demonstrations, only to find that thoughts favoring "liberalism" had turned into something of a wildfire. On December 30 Teng Hsiao-p'ing made an appointment with Hu Yao-pang, Chao Tzu-yang, Wan Li, Hu Ch'i-li, Li P'eng and Ho Tung-ch'ang in which he delivered an important speech on student disturbances. On January 6 the communist central authority had the key points of Teng's speech printed as the content of Chungfa Paper No. 1 along with the order that copies of the document be "immediately passed on first to basic-level party organizations and all party members and then to all cadres, the masses and teachers and administrative staffers at and above the secondary school level." The mayor of T'ientsin, Li Jui-huan, also made noises about the student demonstrations on December 22, 1986 and was much praised for this by Teng Hsiao-p'ing, who said Li was "waving a bright-colored flag, standing his ground and positioning himself in the forefront of the struggle." Li's speech has been used by the Hsinhua News Agency as part of its first 1987 issue of "Selected Readings for In-house Reference."

2. Chungfa Paper No. 1 -- key points of Teng Hsiao-p'ing's speech on campus unrest:

(1) "Student disturbances will not lead to anything serious, but if the nature of the recent disturbances are taken into account they are indeed things serious," and "It was necessary for us in the previous period to placate and guide those student trouble-makers, but if their acts affect social order and violate the criminal law we must resolutely deal with them and our persuasive approach includes legal treatment."

(2) "If disturbances appear in a place, that is because the leaders in that place are not resolute in their attitude and the flags they wave are not freshly distinctive. Such things are not confined to one or two places, nor are they things that have occurred only in the past one or two years. They are the result of the failure over the years to wave a bright-colored distinctive flag of anti-bourgeois liberalism and of the irresolution displayed in a matter like this."

(3) Teng stressed that during the campus unrest the democratic groups had a good showing and it was the party that had done poorly, and that party members like Fang Li-chih, Liu Pin-yen and Wang Juo-wang must be deprived of their party membership. The four cardinal principles must be espoused, said he, and there was also the need to insist on "the people's democratic dictatorship."* "We should never let people confuse black with white and should never let those rumor-mongers have their way with impunity." Furthermore, "We have picked up Wei Ching-sheng, haven't we? Is the good name of China spoiled just because of that? Our refusal to release Wei does not affect at all the image of China. On the contrary, our reputation is on the up and up."

(4) The Polish leaders, said Teng, were sober-minded and adamant when they were faced with the collaboration of the Solidarity and the Church which was in turn backed by the West, and they got the situation under control with military measures.

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*Of the "four cardinal principles" mentioned by Teng Hsiao-p'ing, the second one "Insistence on the dictatorship of the proletariat" has in recent years been gradually renamed "Insistence on the people's democratic dictatorship," which is also known as "The Chinese-style dictatorship of the proletariat."

"This proved," asserted Teng, "that nothing could be done without dictatorial rule." "We should not only value dictatorial rule but should also put it into practice when necessary. But we must be discreet in such matters. Discreet we must be in making arrests, and arrests should be the fewer the better. We should also avoid bloodshed, but if they want to create bloody incidents, what choice can we have?"

(5) Teng underlined that "China" could not transplant capitalistic democracy without questioning its merits and could not dabble in such things as a tripartite power structure. "I often criticize the United States for its separation of the legislative, executive and the judicial functions of a government," added Teng. He also said that "China's" use of foreign capital was to use it as a sort of supplement, that "China" could not deviate from the socialist road, and that the current struggle against bourgeois liberalism is to be carried on in at least the 20 years to come and all those in leading positions must carry on this campaign with their bright-colored flags flying.

3. Key points of Li Jui-huan's talk on student unrest:

(1) Schools when faced with students making trouble should react correctly in the following ways:

A. They should oppose trouble-making and take every effective steps to stop it.

B. They should not be afraid of any possible mistake on their part and should not panic.

C. They should be discreet in dealing with the problems that have cropped up, should conduct a serious investigation and study of the situation, and be careful to see to it that no undesirable outcome is to come of their action.

(2) "If those kids make trouble," emphasized Li, "they must have behind them either adults or party or Youth League members or leading cadres. Otherwise, those kids, we are sure, will never be able to make trouble. Which means our party and Youth League organizations have failed to rein in their own members."

(3) Li confessed that the organizational work of the party and the Youth League was rather ineffective. "We have

failed to control our own men and there are even party and Youth League members who have become masterminds of the trouble-makers, have taken the lead or pulled strings behind the scenes."

(4) "We should never neglect to see that there are people in our society who are dissatisfied with us, and that there is still a force in Taiwan who attempts to topple us. To be soft on a few individuals spells cruelty to the majority."

4. Summing-up:

(1) Though it was the crackdown on student demands for democratic expression that sparked off the struggle against bourgeois liberalism, each of the two has its own beginnings to trace. So far as the struggle against bourgeois liberalism is concerned, Teng Hsiao-p'ing has hinted of it almost annually ever since he got his "four cardinal principles" published in March 1979. Anyone who has carefully perused "Selected Works of Teng Hsiao-p'ing" and what he has said at party meetings since 1984 will be able to see this. If Teng's words had been not duly heeded, that is only because party members and non-party members on the Chinese mainland used to take them as something used by him for the purpose of window-dressing. Now such wishful thinking has proved wrong and the truth is that Teng meant what he said. It is really time for the world to reassess the policies of the Chinese Communists.

(2) In the past five years the Chungfa Papers used to take agricultural economy and agricultural reform as their themes. This time around, the Chungfa Paper No. 1 broke the rule by using a political theme, and the following No. 2 and No. 4 were similar in nature. Unquestionably the political problems have become very pressing on the Chinese mainland. The world is particularly taken aback to hear that Teng not only wanted to follow the example of Poland by adopting dictatorial approaches but had the intention to carry on the struggle against bourgeois liberalism in the coming 20 years. Actually, what Teng said merely betrays that he is tyrannical and the Chinese Communist policies have never been steady and tend now to become more and more tightened.

(3) The recent surges of student movements on the Chinese mainland were spontaneous. The regime, deliberately bypassing the problem, went out of its way to criticize the political systems of the United States and the Republic of China, thus exposing fully how it is by nature anti-Western. Li Jui-huan, Mayor of

T'ientsin, appeared even more preposterous, blaming the student movements on the mainland on the Republic of China and warning the communists that they "should never neglect to see that....there is still a force in Taiwan who attempts to topple us. To be soft on a few individuals spells cruelty to the majority." What all this boils down to is that Peip'ing is simply trying to bypass problems and meanwhile doing its best to frustrate in an effective way the wishes of the mainlanders who are in hot pursuit of freedom and democracy.

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DATE: March 5, 1987

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Foreign Businessmen Start Losing Interest and Confidence in Investment on Chinese Mainland

It was learned on February 20 that the recent student unrests, which touched off the campaign against "bourgeois liberalization" and the downfall of Hu Yao-pang, have crushed the foreign businessmen's beautiful dream to make investment on the Chinese mainland. One of the reasons for the foreign investors to reduce confidence is that in one of his recent talks Vice Premier Li P'eng warned the foreign businessmen to get prepared psychologically if their contract was to be reconsidered or even rejected. One of the foreign joint-venture project managers recently stated rather pessimistically that not a single foreign company would now say that they could sign a contract half a year later. Another Western businessman said that "doing business on the mainland, one would have to respect the Chinese rules. But intimidation only makes foreign company lose confidence in the future prospect of the Chinese economy."

Note:

These pehnomena would indicate that despite Peip'ing's repeated announcements that the campaign against "bourgeois liberalization" will not affect the economic reform and open-door policy, the ill-effects, however, are here to stay.

CONFIDENTIAL

DATE: February 26, 1987

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Secretary of Soviet Central Secretariat Reports on Recent Development of the Moscow-Peip'ing Link

Secretary of the Soviet Central Secretariat Medvedev divulged the recent development of the Moscow-Peip'ing link at a press conference attended by reporters from socialist countries on February 28. Essentials of the report:

1. Relations between the Soviet Union and the Chinese Communists have been advancing. Though the advance is not very fast, definite progress has been registered in the area of economic cooperation.

2. No limit is set to the two sides' economic link. If there is any difference between Soviet exports to the Chinese mainland and Soviet exports to other socialist countries, it is only that machine-made products, rather than energy, dominate in Soviet exports to the Chinese mainland, as this serves the interests of both.

3. As to their political ties and the restoration of party-to-party relations, the Soviet Union holds that its party relations with the Chinese Communists should be restored and developed, but Peip'ing is still shortcircuiting the issue, at least for the time being, by its mention of "the three obstacles." Moscow does not see these "obstacles" as obstacles but would rather see them as issues to be tackled; actually, the Soviet Union is "doing its best to solve them." However, touching the Kampuchean issue, the Soviet Union holds that the Chinese Communists should establish direct ties with Vietnam to talk about it.

4. The cultural link between the two is growing steadily.

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EVALUATION: B - 2

SOURCE: Documentary Information

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DATE: March 6, 1987

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Vietnamese Government Undergoes Sweeping Shakeup

Vietnam's Committee on State Affairs issued a bulletin on February 17 announcing a sweeping shakeup of the government.

1. The cabinet:

Fifteen of the ministers were replaced by a batch of new appointees. Foreign Minister Nguyen Co Thach was appointed Deputy Chairman of the Ministerial Council but still retained his position as Foreign Minister; Politburo Member Le Duc Anh replaced Van Tien Dung as Defense Minister; Politburo Member Mai Chi Tho took over from Pham Hung as Interior Minister, though Pham Hung still retained his post of Deputy Chairman of the Ministerial Council. Five newcomers, Nguyen Khanh, Nguyen Ngoc Tra, Tran Due Long, Doan Duy Thanh and Nguyen Van Tien, were appointed deputy chairmen of the Ministerial Council.

2. Organizational matters:

Acting on a recommendation by the chairman of the Ministerial Council, the State Council had decided to streamline the ministries and departments under the Ministerial Council:

(1) The three ministries respectively in charge of agriculture, the food industry and food were to be merged as the Ministry of Agriculture and the Food Industry.

(2) The two ministries respectively in charge of electric power and mineral products and coal were to be merged as the Ministry of Energy, and the General Bureau of Geological Affairs was renamed the General Bureau of Mineral Products and Geological Affairs.

(3) The two ministries taking care of labor and social veterans respectively were to be merged as the

Ministry of Labor, Veterans and Social Affairs.

(4) The committee on Vietnamese Television and Radio Broadcasts would be dissolved to give way to the Ministry of Communications.

(5) A Committee on External Economic Relations would be established.

(6) The work of children's education would be unified and the Committee on the Protection of Mothers and Children would be a part of the Ministry of Education. To unify the work of job training, the General Bureau of Job Training would be incorporated into the universities and the high-school departments of junior colleges.

(7) The Committee on Ethnic Affairs under the government would be disbanded.

Notes:

1. Soviet Leader Gorbachev's shakeup of the top Soviet leadership seems to have produced some effects on Vietnam. The infusion into the Vietnamese political artery of new blood is certainly intended to accelerate the country's economic and political reforms.

2. As the diplomatic circle in Hanoi saw it, the timing and scale of the latest Vietnamese government shakeup indicated that Nguyen Van Linh had not been confronted with any great challenge. However, if Nguyen Van Linh had not had Truong Chinh's and Pham Van Dong's prior tacit blessing, he would not have pulled off such a sweeping shakeup.

3. Some diplomats in Hanoi also said that the unexpected sweeping shakeup was just a measure to enforce the aims and policies adopted at the party congress of the Vietnamese Communists held last year, but it was also a triumph of the Vietnamese reformers.

4. The Vietnamese Communist Party's official paper said on February 17 that a Central Committee on Electoral Affairs headed by Truong Chinh had been established to supervise the parliamentary election scheduled to take place on coming April 19.

DATE: March 11, 1987

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Soviet Union to Increase Military, Economic Aids To Laos

1. In order to prevent the Vietnam from leaning toward the Chinese Communists after it should have unified the three states on Indochina, the Soviet Union has begun to actively increase its military and economic aids to Laos so as to create a balancing power to check the Vietnamese.

2. Soviet First Deputy Premier and Politburo member Ivan Arkhipov visited Laos on November 17, 1986 and discussed with Laotian Premier Kaysone Phomvihan the matters concerning the increase of economic aid to Laos in the following ways:

(1) Moscow will expand its economic aid to Vientiane in 1987-1990.

(2) Vientiane should establish economic relations with African and socialist countries.

(3) Moscow hopes that Vientiane could become a member of the COMECON by 1991.

(4) Moscow will help Vientiane to develop its natural resources with satellite device.

(5) Moscow will help Vientiane to construct a national highway leading up to the sea through Vietnam.

(6) Vientiane, on the other hand, asked Moscow to support its second five-year economic development plan.

3. The Soviet charge d'affaires called on Laotian Defense Minister Khamtay Siphandon on December 25, 1986 for the following matters:

(1) Laos should raise its military strength to 120,000 men by the end of 1987.

(2) The Soviet military advisors will be increased at the provincial armed forces level.

(3) The Laotian military budget should be sent to the Soviet Embassy for review.

4. The Laotian deputy foreign minister visited Moscow in January 1987 for promotion of the bilateral relations.

CONFIDENTIAL

DATE: March 3, 1987

SOURCE: Comprehensive Information

SUBJECT: The Ouster of Hu Yao-pang and Its Possible Repercussions

Brief Summary:

1. The enlarged meeting of the CCP Central Committee politburo ended with a communique outlining two major reasons for Hu Yao-pang's "resignation" as General Secretary. In spite of being specified, the reasons are self-explanatory:

(1) The standing committee of the politburo represents the "top collective leadership structure" which consists of five people. Among them, Ch'en Yun and Li Hsien-nien belong to one faction; while Teng Hsiao-p'ing, Hu Yao-pang and Chao Tzu-yang share another one. Hu's self-criticism of his mistakes in "defying the party's principle of collective leadership" does not mean that he has run into confrontation with Ch'en Yun and Li Hsien-nien. It does mean that he offended Teng Hsiao-p'ing and alienated Chao Tzu-yang with what he had done.

(2) So far as Peip'ing's decision-making process is concerned, Teng used to grasp lines and principles; while Hu is authorized to formulate and execute policies by Teng. Hu's self-criticism of his "mistakes on major issues of political principles" actually means that Hu made decisions on his own without consulting Teng.

2. Hu is the first successor hand-picked and groomed by Teng. In the history of power transfer of the Chinese Communist ruling hierarchy, it has been a customary practice that the first successor was cast aside when he had lost favor. To Hu's case, what should be attached special importance is that his ouster signals an internal contradiction and split within the Teng faction. Whether Teng can achieve a timely "patch-up" would likely have an important bearing on mainland political situation. With Hu's ouster, Chao has now become the only political heir of Teng. At present, the relationship between Teng and Chao is similar to that of Mao Tse-tung and Lin Piao in 1969. It is something worth our attention whether Teng and Chao would meet the same fate as Mao and Lin did before.

Commentary and Analysis:

Hu was hand-picked by Teng as his successor. Since Hu's "resignation" (actually ousted from the post of CCP general secretary) came as a surprise to many people, it naturally attracted worldwide attention. Analysis is summarized below:

1. Reasons of resignation:

Peip'ing's announcement said that Hu made self-criticism of his two mistakes: One is "violation of the party's principle of collective leadership;" the other is "errors on major issues of political principles." Our commentary follows:

(1) In terms of power structure:

The so-called party's collective leadership is represented by the standing committee of the politburo, which consists of five men: namely Hu Yao-pang, Teng Hsiao-p'ing, Chao Tzu-yang, Li Hsien-nien and Ch'en Yun. Among them, Ch'en and Li are usually regarded as the "conservatives" with whom Hu is supposed to have no dealings; while Teng-Hu-Chao triumvirate is seen as the "reformist wing." Hu's self-criticism of mistakes in "violating the principle of collective leadership" actually means that Hu offended Teng and

alienated Chao with what he had done, thus leading to Teng's ax falling on him. Despite losing his job as party's general secretary, Hu still retains his posts on the politburo and its standing committee. This is because Teng wants the reformists to play a dominant role in the politburo's standing committee. Should Hu be ousted from the politburo's standing committee, the vacancy left by him will be filled by another conservative P'eng Chen in his capacity as chairman of the standing committee of "National People's Congress," thereby putting the Tengists in a disadvantageous position.

(2) In terms of decision-making process:

So far as the Chinese Communists are concerned, the so-called "major issues of political principles" usually means "lines, principles and policies." In this connection, Teng used to grasp line and principles to which Hu has no access. Therefore, Hu could have made some mistakes in formulating policies without making prior consultation with Teng. Hu came under criticism in 1986 when mainland theoreticians called for the "reform of political structure." Seeing that the call could have an adverse impact on the "four cardinal principles," Teng had to come up with suppressing

measures. Additionally. Hu's tolerance to mainland student demonstrations which have hit many leading cities since early December last year, led to Teng's determination to dismiss Hu. Also, student unrest was used by the conservatives to seek Hu's ouster.

2. Possible repercussions:

(1) In terms of power transition:

In his efforts to establish the "three-tier leadership succession" system, Teng placed Hu at the head of the 2nd tier and pegged him as his successor. Now, with Hu becoming Tengist scapegoat to cope with impact of outside influence, the so-called Teng-Hu-Chao hierarchy has been disintegrated to the disadvantage of the reformists.

(2) In terms of structural reforms:

Since "reform program" is a life-and-death struggle to the reformists, Teng naturally insisted on "opening." But to crack down on student democracy movement, Teng resolutely opposed "taking capitalist road." On the other hand, Teng's crackdown on "bourgeois liberalism" has brought about serious impact on his economic reform efforts. As present situation stands, the most difficult problem to be resolved

by the Tengists is how to continue their efforts to carry out their "reforms" smoothly.

(3) In terms of opening the mainland to the outside world:

The Tengists have to accelerate economic construction by continuing the reforms and policies of opening the mainland to the outside world so as to silence Teng's opponents. However, the Chinese Communists should have come out to blame the Western liberalism for the recent pro-democracy demonstrations staged by university students, and launched a media blitz to discredit Western-style democracy. This demonstrates that the regime used to shift the blame to others when things get out of hand.

Reference Data:

1. Dispatch of Hsinhua News Agency, January 16, 1987.

2. Los Angeles Herald Tribune, January 17, 1987.

3. The Toronto Star, Canada, January 17, 1987.

4. Japan's Asahi Shimbun and Yomiuri Shimbun. January 18, 1987.

CONFIDENTIAL

DATE: March 3, 1987

SOURCE: Comprehensive Information

SUBJECT: An Analytical Study of the Recent Enlarged Meeting of CCP's Central Military Commission

Brief Summary:

1. The Central Military Commission of the Chinese Communists met for an enlarged meeting December 11 - 25, 1986 with discussions centered on political work. On behalf of Teng Hsiao-p'ing, General Political Department Director Yu Ch'iu-li told the meeting that "political work was, is and will be our real advantage which must be strengthened instead of being weakened." Also, Yu renewed Mao Tse-tung's old saying that "Political work is the lifeline of the People's Liberation Army (PLA)." Post-meeting developments indicated that this meeting is chiefly aimed to provide against certain impact which will become known soon, and mobilize the PLA to tighten control.

2. Party General Secretary Hu Yao-pang "resigned" after the meeting, and subsequently came the "struggle against bourgeois liberalism." Both

Hu's resignation and the anti-bourgeois liberalism struggle could have been discussed at the meeting and may have decisive repercussion.

Commentary and Analysis:

1. Highlights of the meeting:

It was the largest meeting ever held since the "3rd Plenum of the 11th CCP Central Committee." The meeting which lasted longer than any other meetings ever held before, was participated by leading cadres from military, political and logistic units above "corps" level together with relevant personnel. It is of special significance that the "decision-making" meeting should have been turned into a "mass-level" meeting.

2. Main theme:

In addition to routine remarks made by members of the Central Military Commission, the main theme of the meeting is to reach a "Decision on Political Work for the PLA in New Era." On behalf of Teng Hsiao-p'ing, Director of the General Political Department Yu Ch'iu-li told the meeting that "political work was, is and will be our real advantage which must be strengthened instead of being weakened." Yu also renewed Mao Tse-tung's old saying that "Political work is the lifeline and source of fighting capability of the PLA." Yu noted that "intensification of political work is the basic principle of building

people's army without alteration." In comparison with Teng Hsiao-p'ing's catchword "seeking truth through practice," Yu's remarks apparently signify a great change.

3. Trend of development:

(1) Escalation of military influence:

The military is considered a conservatives' holdout against the reforms, and less than a month after the enlarged meeting of the Central Military Commission, Hu Yao-pang resigned as party's general secretary. This serves to show that the problems of "anti-bourgeois liberalism" and the responsibility Hu should assume, have been discussed at the meeting, and that the decisions reached at the meeting could have an important bearing on Hu's resignation. Should this be the case, the military may become more active in the decision-making process; and military-party relations could reach a point where party leadership stability is jeopardized. This development should indeed merit our attention.

(2) Persistence in demobilization efforts:

The Chinese Communist military, faced with opposition within its ranks, has apparently failed

in meeting Teng Hsiao-p'ing's goal of demobilizing one million troops up to date. Although the military authorities has completed the process of reorganizing the PLA into group armies, the training and fighting capability in joint operations remains much to be done. Despite implementation of educational reforms in military schools and academies, academic levels on the part of cadets remain low. In view of the above, Peip'ing is likely to continue its efforts to "consolidate, digest, supplement and improve" the reforms to achieve a steady development.

DATE: March 11, 1987

SOURCE: Comprehensive Information

SUBJECT: Analysis of Chinese Communist Followup Nation-Wide Movement to Increase Production and Revenue and Decrease Waste and Spending

At a national finance conference held on February 14, 1987 Peip'ing's Politburo Member and Vice Premier of the State Council T'ien Chi-yun asked the entire communist hierarchy to orchestrate its organizational work and moves to "triumph in contributing to the campaign to increase production and revenue and decrease waste and spending." T'ien's appeal was approved by the communist central authority and the second wave of the campaign is now under way.

1. A big turnabout:

(1) At the third plenary session of the 11th Central Committee the Chinese Communists claimed that they would practise a strategic shift, meaning that they would change from "socialist revolution" into "socialist development." Since then they had repeatedly asserted that they would no longer stage movements and would instead use economic means to address economic problems. Now at a time when their reform of economic structure was bogged down, they reverted to political means to address economic problems. This is surely a marked big turnabout.

(2) The Chinese Communists had previously used material incentives to revive the economy, emphasizing individual wealth and a better life; they also granted autonomy of management to enterprises. Now they want to interfere with the investment and management of enterprises with their policy of "two increases and two decreases" and revert also to old Maoist slogans such as "self-sufficiency," "hard struggles," "diligence and thrift as the basis of a national renewal," "learning from Lei Feng," and "do as Lei Feng." This is also a big turnabout.

2. Problems analyzed:

(1) The economy:

The Chinese Communist reform of economic structure has all along been faced with two conundrums:

A. From the macroscopic view, the totality of social demands has always been larger than the totality of social supplies. Thus, there can hardly be a way to rein in inflation.

B. From the microscopic view, the economic profitability of enterprises has gone from bad to worse and there is in general serious waste.

Thus one can see why the Chinese Communists in their "two increases and two decreases" movement attach special importance to "the compression of air" -- an attempt to raise efficiency and slow down the aggravation of the contradiction between supply and demand.

(2) The political factor:

The economic policy in favor of "reform, opening up and revival" is liable to encourage spontaneous capitalistic tendencies leading naturally to the politically sensitive subject of "bourgeois liberalism." The "two increases and two decreases" movement -- an echo of the so-called "Lei Feng spirit" -- has the function of a match-up measure to the campaign against bourgeois liberalism now in full swing.

(3) The open-door policy:

This policy is unlikely to change. However, the slogan "self-sufficiency" in the current "two increases and two decreases" movement and Li Hsien-nien's demand that when renewing their equipment, enterprises try their best to use "home-made products" and avoid "resorting blindly to import" indicate that because of the shrinkage of foreign exchange reserves the Chinese Communists also want to contain the tendencies to import by way of the movement just mentioned.

To sum up, though the "two increases and two decreases" movement is superficially an economic device, it is practically a movement with political overtones.

DATE: March 4, 1987

SOURCE: Comprehensive Information

SUBJECT: Gorbachev's Recent Inspection Tour of Federal Republics of Soviet Union on Baltic Littoral And His Speeches

From February 17 to 21, 1987 Soviet leader Mikhail Gorbachev was on an inspection tour of Latvia and Estonia, the two federal republics on the Baltic littoral of the Soviet Union, and delivered three formal speeches. The following is an analysis of his recent trip and views:

1. Key points of Gorbachev's speeches:

(1) Aside from asserting that overall democracy is the right direction and quite an urgent priority, he also emphasized the importance of "the human factor" in reform and urged the Soviets to accept in earnest all kinds of reform and participate in them.

(2) He reiterated that both the Politburo and the Soviet government had the consensus that the Soviet Union has no choice except to reform and can fall back on no other policy.

(3) He assured that the Soviet Union would strictly carry out Lenin's ethnic policy and would not only in law but also in actuality acknowledge ethnic equality. He also said that in a capitalistic system there would be no way to tackle ethnic problems.

2. Problems reflected:

(1) After the end of the plenary session of the CPSU's Central Committee Gorbachev set out to visit the two federal republics, hoping to understand how the people there felt, how the reforms were being carried out and what opinion or assessment the two republics would have of the overall programs introduced at the plenary session. Above all, he hoped that on the strength of his personal charisma he could give a wide publicity to his policies and corral general support so the country could smoothly push and give teeth to the reform programs.

(2) Since their annexation in 1940 by the Soviet Union, the three small republics on the Baltic littoral have enjoyed a standard of living that outstrips the one of any other part of the Soviet Union; however, their cultural identification with Western Europe is so strong that there has been a high incidence of hostile expressions against the communist system. Gorbachev's announcement at this juncture that an experimental electoral system would be practised in Latvia was obviously an attempt, after the riots in Kazakstan, to woo and placate the minorities and put up these Baltic federal republics as a shop window through which the neighboring Western countries can see there is also democracy in the Soviet Union.

(3) Unconfirmed reports said that Gorbachev had a narrow escape from an attempt on his life in the suburbs of the capital of Latvia and those involved in the attempt included high-ranking police officers and conservatives in the party. There was also a failed assault on him in Moscow in the summer of 1986. The two incidents show that the purge launched by Gorbahcev as a measure to accelerate his reforms has prompted the dissidents and those also-rans in the race for power to resort to violence.

3. Summing-up:

(1) Despite his energetic attempt after his ascendancy to get things ready for his reform programs, Gorbachev has been up against a spate of hard problems spawned by the communist system, such as lethargy, the lazy habit of thinking, bureaucratism, workers' resistence to reforms, obsession with quick returns and the stubborn resistance put up by part of government officials, the police and party agencies. Furthermore, the East European bloc is divided in their attitudes toward the new Soviet experiment and the recent frustrations suffered by the Chinese Communist reformers are also a warning to Gorbahcev. To all appearances, Gorbachev is now sitting pretty, yet he still has to be discreet in his wish to control his opponents.

(2) Gorbachev's reform blueprint brings no alternation to the Soviet centrally planned economy and to the Soviet political control; the advertisement of the coming democratic elections is but a tactical application by which Gorbachev hopes to win the good feelings of the Soviet people -- to make the

tactic of "uniting the majority to deal a blow to the minority" work -- and to improve Moscow's international image along with the series of peace initiatives. To ease the pressure exerted by the conservative force on the home front, Gorbachev is likely to give a measure of flexibility to the Soviet foreign policy so that there may emerge a peaceful international environment. A moderate Soviet outlook can possibly lead to some agreements in the U.S.-Soviet arms control talks and temporarily take the edge off the tensions between East and West.

Pro: Chip.

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DATE: June 4, 1986

SOURCE: Comprehensive Information

SUBJECT: Present Agricultural Crisis on Chinese Mainland

1. Emergence of crisis:

One often repeated remark of the Mao Tse-tung days was "Food is the pivot." In the words of Ch'en Yun, "No food brings no order." He insists that food issues cannot be neglected. The Chinese Communists have all along regarded food as a political matter instead of being simply an economic issue.

Food production on the Chinese mainland last year totaled 28.33 million tons, down 7 percent from the year before. No food import was called for, but the decrease required a dent in the food stock. Although the food issue did not attract outside attention, the CCP Central's factional dispute over the matter affected the Teng Hsiao-p'ing group's drive to implement its policy of farm production structure adjustment and much harm was done both politically and economically.

2. Causes of production decreases:

(1) Sharp shrinking of planted areas:

Chinese Communist statistics are that about 70 million mu of cultivated land (nearly 11 million acres; 1 mu equals to 733⅓ square yards) stopped producing crops last year because of "illegal land transaction" and conversion of uses into non-agricultural sectors.

(2) Loss of peasant interest in food crops:

A survey report issued by the Chinese Communists early in 1985 said that the average gain from each mu of food crop in 1984 was 85 yuan (people's currency), but the gain could be doubled to 172 yuan if economic crops were planted. Quite understandably peasants would rather do something other than food crop planting and pay cash or buy grain to fulfill their assignments under the "food production contracts." This practice is not unwelcome to cadres because it offers ready opportunities

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for manipulation to fill their pockets. inversion

(3) Inadequate agricultural investment:

A 1984 sample survey of sums invested in rural areas on the mainland for production purposes showed this average percentage distribution: 1 percent from the regime, 53.6 percent from collective bodies, 5.5 percent from new economic joint bodies, and 39.9 percent from contracted farming households. The Chinese Communists who did the survey added that the investments were mostly for industrial and other sideline production works and very little was for the improvement of food-producing conditions.

(4) Backward food production techniques:

Chinese Communist papers have revealed that in average a single agricultural technician has to work for 6,000 mu (909 acres) of cultivated land and 3,200 farming population. The regime has been talking of "scientific cultivation" but much has been aired only emptily.

(5) Clogged channels for peasants seeking new trades:

Once introduced to rural areas, the "joint production responsibility system" for groups of peasant households immediately exposed the seriousness of unemployment and under-employment. More than 100 million excess farm hands are presently awaiting transfer into non-agricultural occupational sectors. Enterprises in counties and towns have made considerable growth in recent years and so have tertiary industries but they cannot absorb that much surplus labor. Urban enterprises are undergoing structural reform and have to discharge many of their staffers and workers so as to increase efficiency and gains. In the meantime the jobless masses of rural areas have been going to all extents trying to assure livelihood for themselves. Consequently, the already bad enough issues of resources distribution and destruction have added seriousness.

3. Steps proposed:

(1) Policywise it is agreed that food issues cannot be neglected. Emphasizing this point, the Chinese Communists in their suggestions for the Seventh Five-year Plan period (1986-1990)

have urged that "effective policy measures be adopted for stable continuation of food production boosting." The Teng Hsiao-p'ing group is listening to criticisms by conservatives and trying to improve its own attitude. This is seen as helpful to resolution of factional conflicts.

(2) Measures are in main to encourage peasant positivity regarding food crop production. The barriers of small-lot cultivation are to be broken through. Land abuse must be prevented through "state land utilization" planning. Price ratios of food, etc. are to be made reasonable, and emphasis at the same time will be on agricultural investment and upgrading of cultivation techniques. Instead of mere enhancement of control, efforts will also be for actual increases of production gains.

4. Summing-up:

The new agricultural crisis, touched off by decreases in food crop production, has not spread or aggravated because the Teng group has been enforcing countermeasures in flexible manners in accordance with actual needs. But the whole issue has been a violent shock to the group's attempt to adjust the rural production structure. The fundamental issue of foremost importance hereafter is how to pay attention to both agricultural reform and rural construction under the available imperfect conditions so as to avoid aggravation of contradictions.

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DATE: June 4, 1986

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Enterprises on Chinese Mainland Are Not Given Free Hand

Wishing to put an end to the phenomenon of enterprises eating out of the State's hand and losing thus their own identities, the Chinese Communists have tried reforming the management system by giving enterprises a freer hand. However, with authorities controlling enterprises acting like lords paramount who are always interested in sharing enterprises' profits and restricting their sales and management rights, enterprises have begun to complain about "midway obstructions" and say that the regime's policy of extending enterprises' self-governing rights have not at all been fleshed out. A recent survey of the Shanghai-based enterprises conducted by the Communists themselves shows how this state of affairs has existed:

1. The right to appoint cadres remained something on paper:

The person in charge of an enterprise still had to wait for the endorsement of his or her superiors if he or she ever attempts to make appointments to fill vacancies in divisions related to personnel affairs, the control of the quantity and quality of products, fiscal affairs and audit, while the power to determine the promotion of employees rested wholly with concerned superior government departments controlling enterprises.

2. Enterprises were not in a position to say no to the creation of unwanted divisions:

Concerned government authorities, in the name of verification, evaluation and comparison, examination preceding acceptance, etc., often forced enterprises to set up divisions serving their own interests. For example, the municipal health department would order an enterprise to set up a health division; the audit department would order an enterprise to create an audit division and even the public-security department would ask an enterprise to

establish a security division. All such orders enterprises must obey.

3. There was no way to follow through the control over programs:

Directive programs (that is, programs under official orders) and pilot ones were often messed up. As program management varied with market variations, there was a tendency to treat products in short supply and products quick to sell as directive products, while those products that were slow-moving and involved long-term investment prior to the consumer's acceptance were often treated as pilot ones. This phenomenon was thought to be very serious.

4. The right for enterprises to send their products directly to the market was denied:

Things to be produced in line with directive programs, after demands upon demands were heaped on them, were made known all the way down to enterprises, which had no choice except to send in all their products up to those higher-placed authoritative agencies and had therefore no products to spare for them to send directly to the market. As a result, enterprises would rather see their best-selling products evaluated as products of "nameless brands" than as "blue-ribbon brands" in hopes that this would be hedge against the possibility that they were treated as directive products.

5. The right to buy raw materials on a selective basis was limited:

Some regions and some agencies, in order to protect their own interests, were liable to forbid enterprises to buy raw materials from other regions or other systems. Many enterprises were thus unable to buy cheaper raw materials.

6. Technical reforms were hardly possible:

Enterprises had no right to decide on the scale of their own investments in immovable assets, nor could they specify the kind of technical reforms they desired; thus enterprises' own technical renewal was seriously delayed.

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DATE: November 17, 1986

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Chinese Communists Improving Ties with Cuba

While continuing to reestablish and enhance party relations with their counterparts in Eastern Europe, the Chinese Communists have recently been moving positively to rally one other Soviet satellite—Cuba of Latin America. This can be seen from the following facts:

1. A delegation of the Chinese Communist "National People's Congress" visited Cuba in mid-September this year—the first such undertaking following a two-decade absence of ties. Headed by Tseng T'ao, a member of the NPC Standing Committee and vice chairman of the NPC Foreign Affairs Committee, the group had made separate calls on such top Cubans as Elavio Bravo Pardo, chairman of the National Assembly of People's Power, and Carlos Rafael Rodriguez, vice chairman (deputy premier) of the State Council. After a series of talks in an eight-day period, the delegation left Cuba for home on September 24.

2. A delegation of transportation officials headed by Lin Tsu-i, vice minister of transportation, visited Havana October 5-10 for talks with their Cuban counterparts on matters of cooperation between the two sides.

3. Representatives of the Chinese Communist Academy of Science and the Cuban Academy of Science signed an agreement in Havana October 17 for cooperation and exchange programs in physics, mathematics, and high-tech fields.

4. Earlier in March this year the Chinese Communists signed an agreement to build three freighters of the 12,000-ton class, each capable of transporting 724 containers, for Cuba. Shipbuilding was to be in Shanghai. The first of the three container-carriers would be delivered in 1987.

5. A Cuban ballet troupe reached Peip'ing in late July this year to resume art and cultural exchanges that had been

interrupted for more than two decades. Performances were arranged in Peip'ing, Shenyang, Dairen, etc. This tour came as the first Cuban art group arrival to the Chinese mainland following the May 1985 Peip'ing visit of Cuba's Vice Foreign Minister Pelegrin Torras. Big welcome parties therefore awaited the performers.

Notes:

The Chinese Communist regime established formal diplomatic ties with Cuba on September 28, 1960, and in the subsequent two or three years signed various pacts for cooperation in the fields of trade, economy, science and technology, culture, communication, radio and TV broadcasting, etc. In retaliation to President John F. Kennedy's announcement on October 22, 1962, to seal off Cuba, the Chinese Communists issued a statement October 25 supporting Havana and condemning the United States. Massive "Support Cuba" demonstrations were meanwhile staged at various major Chinese mainland points. The closeness of relations in those days can be seen from that while the total Chinese Communist trade with Latin American countries in the decade of 1960-69 was US$2,550 million, as much as US$1,578 million (62 percent) was in transactions with Cuba.

But distance started widening in proportion to the Moscow-Peip'ing rift. In the summer of 1976, for example, Fidel Castro Ruz as the Cuban Communist Party's first secretary attacked the Chinese Communist policy as "indeed ugly" from Cuba's viewpoint and added that the Chinese Communist "hatred and slander" of the Cuban solidarity with and fight for liberation movements were "exactly like the attacks heaped on our nation by the U.S. imperialists." When unleashing similar attacks at the Second Congress of his party in December 1980, Castro said that Cuba and the Chinese Communists had "no political relations whatsoever."

Castro's remarks at the Third Congress of his party in February this year were relatively moderate. Although he said that the Chinese Communist stand on certain major international political issues "does not and cannot have any common ground with ours," he expressed hopes that "such animosity will one day disappear." Castro furthermore said that Cuba was willing to develop "normal governmental ties" with the Chinese Communists, pursue extensive trade with them, and maintain favorable contact.

Cuba as the Soviet satellite in Latin America also

is a vanguard of Soviet expansionism. Cuba's total military strength is only 127,500 men, but more than 44,000 of them are stationed abroad--in Angola, Ethiopia, Nicaragua, Mozambique, The Congo, etc.--as helpers of various leftist regimes.

Although Havana's relations with the Chinese Communists have somewhat improved since 1983, not much development has been recorded. This is because Castro does not like the Chinese Communist closeness to the United States--the archenemy of Cuba. Nevertheless, the Chinese Communists are earnestly trying to rally the Cubans. What may now take place in this connection certainly merits attention.

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CONFIDENTIAL

DATE: December 5, 1986

EVALUATION: B - 2

SOURCE: Comprehensive Information

SUBJECT: Laotian Communists Call Their 4th Party Congress, Resolve to Improve Relations with Chinese Communists And Thailand

1. The Laotian People's Revolutionary Party (LPRP) called its 4th party congress November 13 through 15, 1986 in Vientiane and the meeting was attended by 300-odd representatives of the party and communist delegations from 14 countries. Chief members among the delegates were Geidar Aliyev, Soviet politburo member and first deputy chairman of the ministerial conference, Vietnam's Prime Minister Phan Van Dong, and General Secretary of the Cambodian Communist Party Heng Samrin. The congress endorsed "the essential directions of the social and economic developments of Laos from 1986 to 1990 to 2000" and elected 60 central committee members (12 more than the number at the previous congress) and 11 politburo members (4 more than the number at the last congress). General Secretary of the Party (prime minister) Kaysone Phomvihane was re-elected to his office.

2. On the day the congress opened, Kaysone submitted a political report on behalf of the core of the party, which said that life in Laos "has changed for the better" since the Laotian communists rose to power. Speaking of Laos' foreign policy, he said, "Laos backs Mikhail Gorbachev's Asian proposals made known in Vladivostok. Laos' economic and technological ties with the Soviet Union and other socialist countries have shown marked expansion." Added he, "We hold that any improvement of relations between the Soviet Union and the Chinese Communists, any normalization of relations between Hanoi and Peip'ing, and any establishment of mutually acceptable relations between the Indochinese states and ASEAN countries plus all those Soviet proposals will beyond any doubt contribute much to the peace and security of the Asia-Pacific area."

3. In his political report Kaysone also expressed his hope that Laos would better its relations with the Chinese Communists and Thailand. "We cherished, and still cherish, our

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friendship with the Chinese people," said he, adding that Laos would spare no effort to keep this friendship. "We sincerely hope that Laos and the Chinese Communists can normalize their relations so long as they can respect each other, honor each other's sovereignty and territorial integrity, refrain from interferring in each other's domestic affairs, assure mutual non-aggression, treat each other on equal footing and observe the principle of peaceful co-existence." As to Laos' relations with Thailand, Kaysone held that the various disputes between the two countries could be settled through talks.

4. Aliyev, who headed the Soviet delegation, also harped on Gorbachev's "peaceable foreign policy and revealed that a conference of the communists in the Asia-Pacific area will be held in the summer of 1987 in Ulan Bator, capital of Outer Mongolia.

Notes:

1. It was in 1979 that the relations between Peip'ing and Vientiane began to deteriorate. On March 6 that year the Laotian communists announced that the Chinese Communists had assembled massive troops along the border area and thus posed a threat to the security of Laos; the next day they unilaterally declared that they had ordered a stoppage of the construction of the highway leading from Muong Nam Pa to Luang Prabang, a part of the Chinese Communist aid to Laos, and asked at the same time the Chinese Communists to withdraw their technicians and engineers in Laos. The two regimes have since broken off their relations.

2. After Laos declared that it would try to improve relations with the Chinese Communists and Thailand, Thailand sent a 23-member delegation to Vientiane on November 27. Word had it that Peip'ing's Deputy Foreign Minister Liu Shu-ch'ing would also pay a visit to Laos in December 1986.

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DATE: December 12, 1986

SOURCE: Comprehensive Information

SUBJECT: Development of Party-to-party Relations Between Peip'ing Regime and Communist Bloc in Eastern Europe

Brief Summary:

1. The Peip'ing regime has succeeded in restoring both party-to-party and state-to-state relations with East Germany and Poland. Meanwhile, Communist party leaders of Hungary, Czechoslovakia and Bulgaria are expected to visit the Chinese mainland to hold discussion on the normalization of the dual relationship. This development represents a new trend of international Communist movement, following Soviet leader Gorbachev's major foreign policy speech made in Vladivostok on July 28.

2. The struggle between international Communists and the free world is a struggle between political system and the way of life. Since the struggle is unfolded in the form of mass movement, it can not be pre-

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vented by military means under this circumstance. How to take countermeasures to guard against reintegration of international Communist movement has become a topic to be discussed by the free world.

Situation Development:

Since the initial thaw of Peip'ing-Moscow relations in 1982, the Chinese Communists have begun to restore contact with the Soviet bloc nations in Eastern Europe including East Germany, Hungary, Poland, Czechoslovakia and Bulgaria. Up to date, Peip'ing has signed a 5-year trade accord with each of those five countries, following the exchange of visit by vice premiers. Polish Communist leader Wojciech Jaruzelski paid his visit to the Chinese mainland September 28-30; East Germany's Communist Party leader and chief of state Erich Honecker visited Peip'ing October 21-25; and before the end of this year, Communist leaders from Hungary, Czechoslovakia and Bulgaria are expected to visit the Chinese mainland respectively. This development demonstrates that the regime has achieved a great breakthrough in its efforts to better ties with the five Soviet bloc nations in Eastern Europe, and is expected to gradually restore party-to-party contact.

Commentary and Analysis:

1. Communist party leaders of Soviet bloc nations in Eastern Europe paid their visits to the Chinese mainland one after another, following Soviet leader Gorbachev's major foreign policy speech made in Vladivostok on July 28. Superficially, this development signifies the regime's breakthrough in its efforts to better relations with Communist countries in Eastern Europe; as a matter of fact, however, it represents a prelude of Peip'ing-Moscow rapprochement. Also, it signals a reintegration of international Communist movement.

2. The struggle between international Communists and the free world is a struggle between political system and the way of life. Since the struggle is unfolded in the form of mass movement, it can not be prevented by military means under this circumstance. How to take countermeasures to guard against reintegration of international Communist movement has become a topic to be discussed by the free world.

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CONFIDENTIAL

DATE: November 4, 1986

SOURCE: Comprehensive Information

SUBJECT: Analysis of Tengist Abolishment of 3rd-Tier Leadership Concept

Brief Summary:

1. Initially, the Tengists adopted a "three-line" cadre policy in order to put pro-Teng cadres at leading posts in the first line. Later, they shifted to "three-tier leadership" with the first-tier leaders like Teng Hsiao-p'ing, Ch'en Yun and Yeh Chien-ying pulling the wire from the second line, while the second-tier leaders including Hu Yao-pang and Chao Tzu-yang attending to party and government day-to-day work. Those who belong to the third-tier including Wang Chao-kuo, T'ien Chi-yun and Hu Ch'i-li are being groomed to take over the second-tier jobs to be handed down by Hu Yao-pang and Chao Tzu-yang. In view of the fact that the number of people enrolled as the third-tier candidates by organizations above county level has reached some 460,000 the Tengists have now changed their mind by promoting distinguished cadres through "democratic

CONFIDENTIAL

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process" instead of making appointment on the basis of the third-tier candidate list. The move represents a major change of the regime's cadre policy in order to accommodate substantial requirements.

2. Tengist move is mainly designed to:

(1) Silence opponents who used to criticize them for practising feudalism in promoting cadres;

(2) Weed out incompetent cadres to facilitate implementation of reforms by getting rid of the principle which calls for "life-long tenure of office;" and

(3) Raise morale of grass-level cadres by dispelling their discontent.

However, in view of feudalism, factionalism and bureaucratism deeply rooted among the party rank and file, implementation of the new cadre policy is likely to meet stiff resistance.

Commentary and Analysis:

During his recent inspection tour of Kansu province, deputy premier T'ien Chi-yun disclosed that the CCP Central authorities have decided to drop the concept of the 3rd-tier leadership, which will be replaced by "grass-level competition." The move represents a major change of Peip'ing's cadre policy.

1. Major change:

Initially, the Chinese Communists adopted a "three-line leadership" cadre policy. Under this policy, aging veterans are asked to retreat into the second or third line so as to let younger cadres attend to day-to-day work in the first line. After the CCP 12th National Congress, Teng Hsiao-p'ing came up with the concept of the "three-tier leadership" in April 1983. Under this concept, the first-tier comprises Teng Hsiao-p'ing, Ch'en Yun and Yeh Chien-ying who stand in the seocond line making policy decisions, and the second-tier leaders like Hu Yao-pang and Chao Tzu-yang attend to party and government day-to-day work in the first line. Those in the third-tier including Hu Ch'i-li and Li P'eng are groomed to take over the second-tier jobs to be handed down by Hu Yao-pang and Chao Tzu-yang. In May the same

year, Hu Yao-pang stood behind Teng by saying that: "To achieve long-standing national security and maintain the continuation and stability of party and national principles and policies, it is necessary for us to start the third-tier leadership construction right now." However, with local units abusing this system, the number of people enrolled as "third-tier candidates" above county level has reached as many as 460,000. Consequently, the Tengists have changed their mind and decided to drop the concept of the third-tier leadership. The move apparently represents a major change in the regime's cadre policy.

2. Main purposes:

(1) To seek normalization of the cadre system:

Previously, the Tengist efforts to proceed with the "three-tier leadership" construction are mainly intended to wipe out opponents and promote their own cronies. This practice, however, has met with oppositions and criticism within the party. Since the Tengists have nearly accomplished the task of building up the "third-tier" rank and file, those selected as successful candidates through the so-called "competitive" and "democratic" process are also Teng's men from the

"third-tier" in spite of abolishment of this concept. Moreover, abolishment of the "third-tier leadership" concept may silence criticism within the party and dispel discontent prevailing among cadres.

(2) To break through the "life-long tenure of office" system:

Although the Tengists may consolidate their leadership position by establishing the "third-tier leadership" system, former power-holders practised factionalism and nepotism by promoting their own cronies instead of competent cadres. Rampancy of factionalism resulted in lax morale and unhealthy tendencies among cadres, and the "life-long tenure of office" system is worsening the situation. By revising the method of promoting cadres, by stressing the need of recruiting competent officials through "democratic process" and "contract system," and by introducing a "fixed tenure of office" system, the regime may be able to weed out incompetent officials, thereby contributing to reforms.

(3) To boost morale of grass-root cadres:

The Chinese Communists used to encourage youthful cadres to go to grass-root organizations, countryside and frontiers. However, some high-ranking

cadres promoted their own children by abusing the "third-tier leadership" system. As a result, competent cadres who failed to get promotion resented being ignored. Now that the Tengists come up with a revised cadre policy, stressing that only competent and productive cadres can be entrusted with important tasks. The Tengist move, whether workable or not, is encouraging to grass-root cadres for the time being.

3. Possible repercussion:

In addition to many other motives, the Tengists sought to change the methods of promoting the "third-tier cadres" for the purpose of creating a normal personnel system. However, since feudalism, factionalism and bureaucratism are deeply rooted among party rank and file, implementation of the new cadre policy is likely to meet stiff resistance. This development will probably have an adverse effect on the Tengist personnel arrangement.

CONFIDENTIAL

Reference Datum:

Hongkong-based Ta Kung Pao, August 29, 1986.

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CONFIDENTIAL

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DATE: December 18, 1986

SOURCE: Comprehensive Information

SUBJECT: Mexican President's Visit to Chinese Mainland

Mexican President Miguel de la Madrid led a delegation to visit Peip'ing on December 4, 1986. During his one-week sojourn, he has held meetings with Teng Hsiao-p'ing, Hu Yao-pang, Chao Tzu-yang and Li P'eng, and ended his visit with four agreement. Details are analysized below:

1. Motives behind the visit:

(1) The Chinese Communists and Mexico have been on good terms, and shared similar views on international issues. In recent years when Peip'ing's "premier" Chao Tzu-yang and "foreign minister" Wu Hsueh-ch'ien visited Latin America, Mexico has been their first stop. This serves to show that the regime has been trying to win the favor of Mexico, which may become a bridgehead for it to conduct united front maneuver and infiltration against Central American countries.

(2) For Latin American countries, it is the common desire to overcome economic difficulties and ease political strains. As far as Mexico is concerned, sagging economy caused by the drop in world oil prices and endemic corruption has aggravated the situation. As a result, trade deficit has caused foreign debt amounting to some US$97 billion, of which interest payments exerted a tremendous strain on state treasury. Being a leading trade partner, the United States has extended aid to Mexico on several occasions but to no avail. President Madrid's overseas trip to the Chinese mainland is apparently designed to seek outside assistance in solving Mexico's internal problems.

2. Main purposes:

(1) President Miguel de la Madrid's visit to the Chinese mainland is mainly designed to seek Peip'ing's support of Mexico's plan for the settlement of foreign debt, and seek closer economic ties with the regime. To this end, President Madrid and

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his party ended their trip to the mainland with a "Consular Protocol," an "Agreement on Social and Economic Cooperation" and two credit agreement. While holding talks with President Madrid, Chao Tzu-yang spoke in support of the former's plan for repayment of Mexico's foreign debt as well as the views on disarmament and anti-nuke proposal. All these demonstrate that President Madrid's trip to the mainland is of political and economic significance.

(2) By inviting President Madrid to visit, Peip'ing aimed at enhancing bilateral ties with Mexico. But the move also implies that the regime has an attempt to step up its united front maneuver against Latin America. In this regard, Peip'ing's plot was manifested when the Hsinhua News Agency was playing up President Madrid's trip to the mainland.

3. Conclusive assessment:

Although President Madrid's visit to the Chinese mainland may enhance bilateral ties and boost both sides' international image, it contributes little to the solution of Mexico's economic difficulties. Instead, the move will enable Peip'ing to utilize Mexico as a bridgehead for conducting united front maneuver against Latin America countries. Moreover, Peip'ing's involvment in Mexico's foreign debt issue would likely deepen the contradictions between creditors and debtors.

CONFIDENTIAL

DATE: December 24, 1986

EVALUATION: B - 2

SOURCE: Comprehensive Information

SUBJECT: CCP and PCP Begin to Thaw Their Relations

Alvaro Cunhal, Secretary General of the Portuguese Communist Party (PCP), visited Peip'ing from December 8 through 12, 1986 at the invitation of the latter, starting to thaw the relations between the CCP and the PCP that had been interrupted for twenty five years. During his five-day visit, Cunhal held talks with Hu Ch'i-li, member and concurrently secretary of the CCP Central Politburo, Chu Liang, Director of the International Liaison Department, Ch'ien Li-jen, Publisher of the People's Daily. In addition, he met with Hu Yao-pang on December 10 and "talked penetratingly" for two hours. In this talk, the two sides exchanged views on the development of the international situation, relations among the Communist Parties, and other problems of mutual concern. Hu stressed that the CCP would "never waver" in the four principles it has observed in its relations with "friendly political parties" of all countries of the world, i.e., "independent sovereignty, total equality, mutual respect, and mutual non-intervention of internal affairs." Cunhal also said that the PCP "attaches great importance to the development of its brotherly relations with the CCP and sets great store by the exchange of visits between the two parties, which have brought outstanding results."

On the afternoon of December 10, when Cunhal talked about the relations between the PCP and the CCP at a press conference, he stressed again the advocacy of the PCP: "Turn your eyes to the future and not to the past." Said he, "This visit is a new and important step in the progression of brotherly contacts between the two parties in the past three years. This progression will go on." When talking about the problem of the relations among the Communist Parties of various countries, Cunhal believed: "They will have among them various degrees of differences, even divergences. In order to overcome this, it is very important that the Communist Parties seek an approach to solve the problem through dialogue." When asked about whether the PCP was a "pro-Soviet" Party, Cunhal argued: "The PCP is a pro-Portuguese Communist Party. Our party formulates its policies in accordance with this

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principle, that is, Portuguese patriotism on the one hand, and proletariat internationalism on the other." When talking about international problems, Cunhal admitted that there were divergences between the PCP and the CCP. He said that although the positions of the PCP and the CCP may be different in certain aspects, including the aspect of international problems, the two parties agree that they must strive to forestall a world war in which there could be no victors and loosers. On the Macao question, Cunhal dodged it by saying that it was a diplomatic question that should be resolved by the two governments through negotiations.

Notes:

1. The PCP was founded in 1921, but not until April 25, 1974 when the Caetano government was overthrown in a coup d'etat in Portugual did it acquire a legal status. The PCP has a membership of about 200,000, mainly industrial workers, farm workers, and young students. Its power nucleus organization has only a secretariat but no politburo. Cunhal has served as secretary general of the PCP since 1961. The PCP has always adopted a pro-Soviet line; both sides maintain very close relations.

2. The CCP and the PCP broke all links between them in the '60s when the CCP and the CPSU ruptured their relations. Before this visit of Cunhal to Peip'ing, the CCP, in order to restore its relations with the PCP, did dispatch in June 1985 a delegation led by Ch'ien Li-jen, then Director of the International Liaison Department of the CCP, to Lisbon for exploratory activities and preliminary contacts with the PCP. In March 1986, the PCP sent its Director of the International Affairs Department Nunes to Peip'ing to pave the way for the visit by Cunhal. Right now, although the CCP and the PCP have "normalized their relations," the divergences between the two sides on the Soviet invasion of Afghanistan, the Vietnamese invasion of Cambodia, and on other problems cannot be erased soon.

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DATE: December 3, 1986

SOURCE: Comprehensive Information

SUBJECT: Comprehensive Analysis of Recent Development in Peip'ing-Moscow Ties

1. Special features of development:

(1) Level of contact elevated:

Peip'ing-Moscow periodical talks have been elevated from the "vice minister" level to the "vice premier" level. Letters have been exchanged between the premiers of both sides and even "indirect talks" have been held between Teng Hsiao-p'ing and Gorbachev. Apart from the newly-established consulates at Shanghai and Leningrade, more consulates will be opened in accordance with the "new consular treaty" at Shenyang (Mukden), Canton and Tihwa (Urumchi) on the Chinese mainland and Kiev, Alma Ata and Khabarovsk in the Soviet Union.

(2) Economic and technological cooperation expanded:

Apart from promoting their economic and technological cooperation on the basis of "The Economic and Trade Agreement, 1986-90" and "The New Economic and Technological Co-operation Agreement," signed in 1985, the Chinese Communists and the Soviet Union have further signed this year a number of agreements concerning the mutual assignment of engineering personnel, mutual sponsoring of industrial and trade shows, mutual use of border water resources, cooperation in marine transportation and expansion of economic and technological cooperation, etc. Furthermore, both sides have agreed to hold in May 1987 in Moscow the 2nd meeting of the "economic and technological cooperation commission." Taken together, it indicates that both sides have expanded their economic and technological relations.

(3) Cultural and educational activities increased:

4 correspondents have been exchanged between the Hsinhua News Agency and the Tass and 4 more correspondents have exchanged between the Economy Daily and the Izvestia. Besides,

CONFIDENTIAL

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Moscow has stopped jamming Peip'ing's radio broadcastings and both sides have further expanded their academic activities. All of these signs seem to indicate that their cultural and educational cooperation has been gradually enhanced.

(4) Party-to-party relations indirectly improved:

Immediately after Poland and East Germany had respectively restored their party relations with Peip'ing under the tacit approval of Moscow, the Soviet Union, in another sign of good-will, named more capable and trusted officials to deal with the Chinese Communist affairs and replaced men whom Peip'ing did not take seriously like the appointment in May of a new ambassador to Peip'ing, Oleg Troyanovsky a "heavy weight" in the Soviet foreign service, and the nomination in August of Regachev, a Chinese Communist specialist, as negotiator in the normalization talks. All of these initiatives taken by the Soviet Union would mean that it intends to improve the party-to-party relations with Peip'ing although in an indirect way.

2. Problems reflected:

(1) Different purpose of normalization:

What Moscow wishes for the normalization is to get Peip'ing back to the "big family of socialism." However, in view of its need for economic and technological support of the United States and western countries, Peip'ing is not anxious to resume the party-to-party relations but wants to adopt the policy of "separating economics from politics," thus being able to "keep a distance from Moscow."

(2) Latent problems difficult to be eliminated:

Despite their efforts to avert the recurrence of dispute and armed conflict, both the Soviet Union and the Chinese Communists have not retreated from their original position against each other when the issues of territory, party leadership and practical interests are cited. For example, the Chinese Communists are still opposed the opening of the "summit of world communists" and the "Asian Security Conference." They still want the Soviet Union to force Vietnam to withdraw its troops from Cambodia and refuse to sign "friendship treaty" with the Soviet Union. What Moscow is

worried about, on the other hand, is a possible military alliance between Peip'ing and Washington and that the Chinese Communists will eventually get closer with North Korea and the Third World.

3. Comprehensive analysis:

(1) In view of the fact that both Peip'ing and Moscow are trying to secure a peaceful international environment and appear to be more determined to settle their border difference involving the frontier Ussuri and Amur rivers, it seems possible that a consensus and mutual confidence may be obtained through the resumption of border negotiations in next February. This will be an important step in the development of their relations.

(2) As both the Soviet Union and the Chinese Communists have regarded the development of their substantive relations as the established policy, it can be expected that their economic, scientific and technological cooperation as well as the exchange of their cultural and educational activities will continue to expand even at a faster tempo.

(3) As to the restoration of party relations, both sides still have many differences. However, the contact through indirect channel may help to patch it up. On the political side, owing to their respective strategic point of view, each would seek to alienate the other from the West in order to obtain the practical benefits.

Communistic China Crude Oil Exports

Destination	1979	1980	1981	1982	1983	1984
CRUDE	1,000 b/d					
Japan..........	146.3	157.3	177.0	182.2	186.8	234.1
North Korea....	30.0	32.0	32.0	32.0	–	–
Philippines....	20.7	17.7	11.7	13.2	–	
Singapore......	0.0	0.4	5.7	10.0	–	
Thailand.......	15.6	11.2	6.7	2.0	–	2.0
U.S............	10.7	2.0	0.0	16.7	5.8	15.4
Brazil.........	13.9	23.9	30.8	31.1	–	49.8
Italy..........	8.2	3.1	0.0	0.0	–	–
Romania........	20.0	20.0	18.0	17.0	–	–
Total accounted for.........	265.4	267.6	251.9	304.2	192.6	283.9
Total..........	268.8	266.2	275.2	304.2	304.1	433.9

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CONFIDENTIAL

DATE: January 23, 1987

SOURCE: Comprehensive Information

SUBJECT: Assessment of Peip'ing's 1987 Economic Situation Development

Brief Summary:

1. Highlights of 1986 economic situation:

(1) In economic restructuring, the Chinese Communists continued groping for establishing the markets of "means of production," "labor force" and "capital." However, the regime still strived to "consolidate, digest, supplement and improve" its reforms introduced in recent years to lay the groundwork for further development.

(2) In economic growth, the Chinese Communists tried continuously to curb uncontrolled investment resulting from overheated economy by trimming spending on capital construction. In this connection, the regime has produced some results in 1986. It succeeded in cutting back some 7.5 billion yuan for capital construction to have the growth rate reduced to 18 percent against 1985's 45 percent. Industrial and agricultural output

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increased by 8.7 percent and 4.4 percent respectively.

2. The trend for 1987:

(1) In their efforts to push structural reforms, the Chinese Communists will find it difficult to solve such ensuing problems as high inflation, huge trade deficit, dwindling foreign exchange reserves, growing unemployment rate, economic chaos and inadequate legal professionals.

(2) To seek a steady growth, the Chinese Communists will make sustained efforts to "consolidate, digest, supplement and improve" their economic reforms with emphasis laid on the establishment of a so-called "unified socialist market."

Commentary and Analysis:

Peip'ing's 1987 economic restructuring is predicted to start a sharp debate on the opening of three markets: "Means of production, labor force and capital." And in this connection, trial work is needed to develop experience if better efficiency is to be achieved through market mechanisms. In economic production, the Chinese Communists will try to seek steady growth to avoid "bold advance" in policy-making. To this end, the regime will focus its attention on grain harvest, energy resource and other industrial output. In view of the above, Peip'ing will devote itself to the following major tasks in 1987:

1. In agriculture, it will try to boost grain output and set a target of harvesting some 400 to 405 million tons of grain, or seek to surpass 1984's record 407.31 million tons.

2. In industry, output is targeted to rise 8 percent similar to that of 1986. In addition, it will try to break the bottlenecks in power generating, crude oil output and railway transportation by seeking different level of growth.

3. In foreign trade, it will try to increase exports to cover trade deficit, which has resulted in

sharp decline of its foreign exchange reserves. Meantime, enterprises are expected to import less due to strict restrictions imposed by the regime.

4. In commodity price reform, it will continue efforts to exercise control over fixed assets investments and revamp enterprise and production infrastructure. Also, placed under strict control will be government expenditure. Meanwhile, it will strive to narrow down the scope of unified purchase, thereby reducing the pressure of price fluctuation.

5. To improve economic efficiency, various kinds of responsibility system will be introduced to large "state enterprises" with leasing system applied to medium/small enterprises. Additionally, management expertise will be imported to update business management.

To sum up, the Chinese Communists will grope forward to push their economic restructuring without returning to old path. In industrial and agricultural production, the regime will seek steady growth to avoid "bold advance." But it should deserve our attention that any of the three variables has an important bearing on the success or failure of Peip'ing's economic reforms:

1. Whether the regime can overcome the high inflation, poor economic efficiency and economic chaos;

2. Whether the regime can break the bottleneck of opening the "three markets" and

3. Whether the Chinese Communist Party's 13th national congress can touch off an intra-party conflict of route, principle and policy.

<u>Reference Data</u>:

1. "State Statistics Bureau's Analysis on 1986 National Economy," the <u>Hsinhua News Agency</u>, December 24, 1986.

2. "The Five Special Features of China's Economy in 1986," pro-Communist <u>Ta Kung Pao</u>, December 24, 1986.

3. "Vice Premier T'ien Chi-yun's speech at the Ministry of Agriculture Work Conference," the <u>Hsinhua News Agency</u>, November 25, 1986.

4. "China Imposed Strict Restriction on Machinery and Electric Products," Hongkong-based <u>Ming Pao</u>, November 23, 1986.

5. "Status of Inland Trade Reforms," pro-Communist <u>Ta Kung Pao</u>, November 21, 1986.

6. "Planning Commission Meeting to Discuss Structural Reform," Hongkong-based <u>Ming Pao</u>, November 23, 1986.

7. "T'ien Chi-yun's Speech at National Finance Work Conference," the <u>People's Daily</u>, August 6, 1986.

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CONFIDENTIAL

DATE: July 28, 1986

EVALUATION: B - 2

SOURCE: Comprehensive Information

SUBJECT: Survey of Decline of Peip'ing's Industrial Development

The Peip'ing regime's total industrial output value for the first 6 months of this year was 428.44 billion yuan (JMP), up by 4.9 percent, but down 18.2 percent from the 23 percent growth rate of the first half of last year. This serves to show that the regime's industrial development has been slowing down. Tabulated below are the growth rates of industrial output for the Chinese mainland as a whole and part of provinces and municipalities in the first 6 months of 1986 together with the existing problems:

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Classification	Growth Rate as Compared with the Same Period Last Year	Existing Problems
Mainland as a Whole	4.9%	Poor economic efficiency; increasing material waste; downgrading quality; slow turnover of working capital and decreasing revenue.
Shanghai	1.9%	
Kiangsu Province	9.4%	Factories overstocked with unsold products; poor economic efficiency; lack of funds; shortage of power supply and enterprises plagued by heavy taxes and fees.
Anhwei Province	10.3%	Growing consumption; downgrading quality; increasing losses in operation; decreasing profits; rising production cost; less profits turned over to "state treasury;" shortage of raw materials, fuel and power supply; lack of funds and factories overstocked with unsold products.
Chekiang Province	10.7%	Increasing material consumption; some products not sold out.
Hupei Province	5.3%	Shortage of material and power supply; lack of working capital; falling profit and more financial losses.

Classification	Growth Rate as Compared with the Same Period Last Year	Existing Problems
Hunan Province	6.5%	Shortage of power supply, funds and raw material; rising material consumption and more financial losses.
Hopei Province	2.8%	Shortage of raw materials and power supply; factories overstocked with unsold products.
Shantung Province	4.1%	Irrational product structure; uncontrolled operation spending; downgrading quality; increasing production cost; poor economic efficiency.
Szech'uan Province	1.6%	Productivity not well developed; poor economic efficiency.
Shensi Province	3.3%	
Kansu Province	7.2%	
Chinghai Province	5.47%	Rising production cost; poor quality control; factories overstocked with unsold products, less profit; poor economic efficiency.

CONFIDENTIAL

III. Chinese Communist Current Relations with Southeast Asian Countries

1. Chinese Communist appraisal of the Southeast Asian situation:

(1) Because of Southeast Asia's proximity to the Chinese mainland, the regime looks upon the region as its "backyard" and the preclusion of any threat coming from it is the first consideration in fashioning Peip'ing's foreign policy toward Southeast Asia.

(2) As the regime sees it, the current unrest in Southeast Asia is mainly the handiwork of the stormy petrel Vietnam, the petty regional overlord, while the real ringleader is the superpower Soviet Union whose expansionist ambitions drives it to stand behind Vietnam.

(3) On November 3, 1978 the Soviet Union and Vietnam signed a 25-year-long "goodwill and cooperation" treaty. To the Chinese Communists, what this treaty signifies is not only that Hanoi has inclined toward Moscow and turned against Peip'ing, but also that (and this is more important) the strategic plan called the "Collective Security System in Asia" which the Soviet Union has designed to encircle the Chinese Communists has been put into practice and given a further push. Thus the regime sees itself faced with the situation wherein it is vulnerable to attacks from both south and north.

Note:

The naval and air forces deployed by the Soviets at Vietnam's Cam Ranh Bay are something like this: 25 to 35 naval vessels, including 5 to 10 surface warships and also 5 to 10 conventional or nuclear-powered submarines; 16 TU-16 bombers, a squadron (14) of MiG-23 fighters, 8 TU-95 long-distance reconnaissance planes, and 14 TU-10 anti-submarine warfare planes.

(4) For the reasons cited above, the central question in Peip'ing's foreign policy toward Southeast Asia is how to deal a blow to Hanoi's and Moscow's expansionist ambitions,

which in turn determines the regime's policy toward the tripartite coalition (actually a government in exile) in Cambodia and ASEAN.

2. Chinese Communist policy toward ASEAN:

(1) Basis of the diplomatic cooperation between the regime and ASEAN — the Cambodian issue:

Hanoi's control of Cambodia wrecks Peip'ing's original strategic plan to join hands with the Khmer Rouge to start a pincers movement against Vietnam from north and south, but it also constitutes a grave threat to Thailand, the frontline ASEAN member. This situation leads to the forming of a subtle relationship of "strange bedfellows" between the Chinese Communists and the ASEAN countries in which all are opposed to Vietnam's invasion of Cambodia and all hope to see the pulling out of Vietnamese troops from Cambodia. This consensus is also the basis of the strategic cooperation between Peip'ing and ASEAN.

(2) The spoilsport in the regime's efforts to align with ASEAN against Vietnam--Indonesia:

As a collective group, ASEAN countries' attitude toward the Cambodian issue is that Vietnam should withdraw its troops from Cambodia. But Indonesia has from the very beginning been of the opinion that the real threat to Southeast Asia comes from Peip'ing,* is glad to see Vietnam's being hostile to the Chinese Communists, and holds that there should be a peaceful settlement of the Cambodian issue through diplomatic channels. As Indonesia sees it, the maintaining of harmonious relations between ASEAN and Vietnam is of vital importance and a Vietnam that is hostile to the Chinese Communists will become a natural barrier protecting ASEAN countries from the threat of the southward moving Chinese Communist influence. This Indonesian attitude is of course welcomed by the opportunist Vietnam, who is in constant touch with Indonesia, but it is also bad news for Peip'ing in its attempt to align with ASEAN against Hanoi.

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* The Peip'ing-supported communist insurgency in Indonesia in 1965 led Indonesia to break off its relations with the Chinese Communists in 1967. So far the two governments have not restored their relations.

(3) The foregoing circumstances explain why Peip'ing is particularly emphatic on courting ASEAN. The way to achieve this purpose is both diplomatic and economic:

A. In the case of Thailand:

Thailand is the conveyor belt in the regime's strategic cooperation with ASEAN; hence, the Chinese Communists are willing to exert their utmost efforts to draw Thailand to their side. Judging from what is going on at the present time, in addition to such contact as regular reciprocal visits by high-level political and military figures from both sides, there are other signs that the two may someday bind themselves with a certain form of military commitment. For example, in November 1985 the Thai military confirmed for the first time that the regime had supplied Thailand with cannons, tanks, anti-aircraft guns and some small arms; on December 26 Peip'ing's Foreign Minister Wu Hsueh-ch'ien openly expressed in Bangkok that should there be a Vietnamese invasion of Thailand the Chinese Communists would never sit by. In its December 27, 1985 issue the Hongkong-based Far Easter Economic Review reported that the regime had installed a hot line between the command of the K'unming Military Region and the supreme military command in Thailand, and that should the Chinese Communist side receive any Thai report saying that Vietnamese troops are shelling the Thai border Chinese Communist troops deployed at the Sino-Vietnamese border would retaliate against Vietnam within six hours so as to honor Peip'ing's commitment to the security of Thailand. On the economic and trade side, the Peip'ing-Bangkok ties have also become increasingly strengthened. The two sides have set up a joint economic commission, the first meeting of which was held in December 1985 to determine the target of the 1986 bilateral trade: reportedly a sum between US$350 and 400 million. In January 1986 the Chinese Communists again purchased approximately US$44 million worth of rice and maize from Thailand as a part of their policy toward the latter.

B. In the case of Malaysia:

Malaysia extended diplomatic recognition to Peip'ing in 1974, the first to do so among ASEAN countries. However, because of the problem of Chinese Malays (43 percent of the Malay population) and the problem of the Malay Communists (almost entirely of Chinese extraction), Malaysia has been distrustful of

the Chinese Communists from first to last. Though in recent years the regime has declared that it would not aid world communists physically, it has nevertheless underlined that it is necessary to give them "moral support." Thus, the Malaysian-Chinese Communist relations have never been free from impediments. Peip'ing's present diplomatic approach to Malaysia is mainly economic: as Malaysia hopes to enter the mainland market, the Chinese Communists also hope to exploit this hankering for economic benefits by alluring Malaysia to improve its political relations with them. In November 1985, for example, Peip'ing invited Malaysia's Prime Minister Mahathir to visit the Chinese mainland. Mahathir stayed on the mainland for 9 days, during which time the Communists tried to explain regime's stand on Malaysia, hoping to reach some understanding. Upon the conclusion of his visit to the mainland Mahathir expressed that the problem of the Malaysian Communists would not hinder the two sides' friendly exchanges in other areas.

C. In the case of Singapore:

Singapore's Prime Minister Lee Kuan Yew had explicitly said that before the defreezing of the Jakarta-Peip'ing relations, Singapore would not beat Indonesia to the punch in establishing relations with the Chinese Communists and that this has become a part of Singapore's basic national policy. Thus Peip'ing can only resort to strengthening its substantive economic and trade ties with Singapore. As the regime has in recent years dedicated itself to economic development and Singapore's position as a port of transshipment and experience in creating economic miracles are what the Chinese Communists need in their attempt to introduce into the mainland advanced technologies, capital and knowledge of business management, the cooperation relations between Peip'ing and Singapore are anything but distant.

D. In the case of Indonesia:

To take the edge off Indonesia's hostility, Peip'ing's way is double-barrelled: on the one hand, it practises circuitous lobbying by asking such concerned countries as the United States, Japan and Australia to convey to Jakarta Chinese Communist message containing the regime's wish to restore relations; on the other, it tries to create contact through such channels as sports events and commercial attractions. On July 5, 1985, by cashing in on Indonesia's desire for commercial and trade

opportunities in the mainland market, Peip'ing achieved a breakthrough in restoring the direct trade between the two; in January 1986 Peip'ing sent a trade mission to Indonesia to buy from it US$13.5 million worth of cement, the mission being the first of its kind in many years. On April 22, 1986 a 10-member delegation led by Chinese Communist Foreign Minister Wu Hsueh-ch'ien arrived at Bandung to attend the 30th anniversary of the "Asian-African Conference." The occasion provided an opportunity for a secret meeting between Wu and the Indonesian foreign minister, the first official contact between the two countries in 18 years since the breaking off of diplomatic relations and also a big breakthrough in Peip'ing's diplomacy aimed at Indonesia.

E. In the case of the Philippines:

For its part, the Philippines hopes that Peip'ing can stop giving support to the New People's Army's insurgency in the Philippines and lend a hand to the Philippine economy and trade development; the Chinese Communist hope, by contrast, is that Manila can back Peip'ing's claims in the Southeast Asian issue and mount pressures together with the regime on Vietnam. As each wants something from the other, realpolitik dictates that the two keep their relations in a generally stabilized way.

F. In the case of Brunei:

Brunei has consistently insisted on its policy of not building any contact with communist countries. As the Chinese Communists well know that Brunei is only a token force in ASEAN and has therefore no leverage, they have not made any practical effort to win it over.

3. Chinese Communist relations with the anti-Vietnamese coalition in Cambodia:

(1) The tripartite anti-Vietnamese coalition government in Cambodia is composed of the Khmer Rouge (the strongest of the three), the Sihanouk faction and the group led by Son Sann. The coalition is backed by the Chinese Communists and it is the Khmer Rouge that have maintained the closest relations with Peip'ing.

(2) The coalition in Cambodia receives its strongest backing from the Chinese Communists. The latter's military aid is sent to the coalition all by way of Thailand. Peip'ing's support for the

Cambodian government in exile serves a twofold purpose: for one thing, the regime can use the guerrillas to strike at Vietnam and hopes to rebuild its influence on Cambodia in the future; for another, it hopes to use the support for the coalition to consolidate the strategic basis it shares with ASEAN. For example, "the 8-point proposal for a political settlement of the Cambodian issue" brought up this past March by the coalition was disclosed in Peip'ing with the Chinese Communists as the wire-pullers.

4. Comment:

On balance, the major objectives of Peip'ing's current policy toward Southeast Asia are: alignment with ASEAN in support of the Cambodian coalition, the isolation of Vietnam and the exclusion of the Soviet Union. To achieve this threefold purpose, the Chinese Communist regime adopts two major tactics:

(1) Militarily, it adopts the tactics of "relieve the besieged by besieging the base of the besiegers." In other words, it spares no effort to support the coalition's guerrillas and meanwhile use military threats in the border areas to tie down Vietnam. The ultimate purpose is to save the coalition from any possible collapse and thus to ensure validity of the strategic basis it shares with ASEAN.

(2) Diplomatically, it adopts the tactics of "befriending distant states while attacking those nearby;" in other words, capitalizing on the Cambodian issue, it tries to draw ASEAN to its side for the common effort to isolate Vietnam both internationally and regionally, and in actual diplomatic activities it goes all lengths to improve or strengthen its bilateral relations with each of the ASEAN countries so as to preclude any Vietnamese and Soviet diplomatic breakthroughs. By so doing, it hopes to make Vietnam suffer from a strategic countersiege and break through the strategic siege laid by the Soviet Union to it.

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135/B

II. Chinese Communist Policy Toward the Third World and The Ways to Implement It

1. Peip'ing's policy-related objectives in the Third World and its tactics to fulfil such objectives:

(1) Policy-related objectives:

Using "independent and peace-oriented foreign policy" as a slogan and the "five principles of peaceful coexistence"* as the basis, the Chinese Communists take the initiative to develop their relations with the Third World, strive to rely on accumulated international opinion to urge the emergence of a longer-time peaceful international environment that is favorable to their modernization programs, and build up their national strength first to scheme to attain the position of lord paramount in Asia, then to plan to build by degrees a Third World with the regime at the center of leadership, and finally to join the United States and the Soviet Union in the forming of a tripartite power that dominates the world.

(2) Tactical ways to fulfil such objectives:

With the slogan "Share our fate and breath" with the Third World, the Chinese Communists assert that they belong to that world forever and they proffer diplomatic support to Third World countries depending on individual cases, strive to seek sympathies and identity with the offer of military and economic aid, and build connections through political, economic, trade, cultural and sports interflows.

2. Chinese Communist diplomacy aimed at Southeast Asia:

(1) Basic policy:

This includes joining hands with ASEAN countries in supporting the anti-Vietnamese coalition in Cambodia and

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* The "five principles of peaceful coexistence" are: mutual respect for sovereignty and territorial integrity, non-aggression of each other, no intervention in another country's domestic affairs, equality and reciprocity, and peaceful coexistence.

the efforts to isolate Vietnam and reject the Soviet influence. The objectives are to thwart Vietnam's ambition and strength to achieve suzerainty in Indochina, keep down the expansion of Soviet influence and step up Chinese Communist influence on ASEAN countries.

(2) Tactical ways:

A. In the case of Vietnam:

(a) Aid the guerrillas belonging to the anti-Vietnamese coalition in Cambodia and cripple Vietnam's economy through a sustained war of attrition.

(b) Create military conflicts in border areas and bring military pressure to bear on Vietnam.

(c) Use talks with the Soviet Union to fill Vietnam with doubt and apprehension.

(d) Stir up international public opinion to condemn Vietnam's invasion of Cambodia and force Vietnam to pull out its troops.

(e) Isolate Vietnam by persuading all ASEAN countries to firm up their stand of no compromise with Hanoi.

B. In the case of ASEAN countries:

Strengthen ties with Thailand, play up to Malaysia and the Philippines, and seek to establish diplomatic relations with Indonesia, Singapore and Brunei.

3. Chinese Communist diplomacy aimed at South Asia:

(1) Basic policy:

Strengthen the existing close relations with Pakistan, change the uneasy relations with India, and try to please the small countries in the region, all for the purpose of reducing the threat and pressure from the Chinese Communist southwestern neighbors.

(2) Tactical ways:

A. In the case of Pakistan:

Stabilize and strengthen relations with

Pakistan as allies through all kinds of exchange and cooperation.

B. In the case of India:

Make use of talks on border disputes (twice a year) to keep up regular negotiations, establish channels of communication, reduce tension and play down discord, and gradually unfurl economic, trade and cultural exchanges.

C. In the case of tiny countries:

Seek friendship with them via small favors in economic and trade affairs so as to counterbalance the Indian influence.

(3) Comment:

The purpose of Peip'ing's efforts to strengthen and improve its relations with South Asian countries is to prevent the Soviet influence from moving south to penetrate into the Indian Ocean, force the Soviet Union to withdraw its troops from Afghanistan and break through the strategic siege laid by the Soviet Union to the regime's southeastern border. In this respect, the Chinese Communists and the United States have parallel strategic interests.

4. Chinese Communist diplomacy aimed at the Middle East:

(1) Basic policy:

Win over friendly nations and develop the regime's influence by capitalizing on the conflict between Israel and Arab nations and on the gap created by the Moscow-Washington power struggle which is in turn created by the Iran-Iraq war.

(2) Tactical ways:

A. Support Arab political claims and seek Arab nations' sympathies by cashing in on Arab nations' hostility toward Israel.

B. Use current diplomatic relations as a basis to strengthen intercourse at all levels and use also religious relations to establish channels of contact with Saudi Arabia.

C. Assume a both overt and covert attitude toward the Iran-Iraq war — pretend neutrality on the surface and appeal to a peaceful settlement but secretly sell arms to both Iran and Iraq for profit.

(3) Comment:

A. Though Peip'ing is eager to have a hand in Mideastern affairs, yet as it cannot afford persistent massive aid over a long time, its influence is incomparable to that of Moscow or Washington.

B. Mideastern nations' Islamic beliefs are markedly anti-communist, which makes it difficult for the Chinese Communists to win the trust of such nations.

C. The complicated Mideastern situation is for Peip'ing intractable; furthermore, the bigger countries in the region are reluctant to see the presence of inordinate Chinese Communist influence; thus it is difficult for the regime to see its influence expand in the region.

5. Chinese Communist diplomacy aimed at Africa:

(1) Basic policy:

Consolidate Peip'ing's existing basis of relations, seek extensively to win over new friendly African nations, criticize the American policy, reject the Soviet influence and build up its influence in Africa.

(2) Tactical ways:

A. Give up the past practice of unilaterally offering massive economic aid, and underline now instead that economic and technical aid is possible only when the recipient of such aid honors the principle of "equality and reciprocity, practicality, variety of form and seriousness in joint development."

B. Offer diplomatic support to African nations on occasions of important international issues or regional problems, harp on "anti-hegemonism, anti-colonialism and anti-imperialism" as a means to criticize the United States and deal a blow to the Soviet Union, and do all this to please African nations.

C. Try to win the friendship of Islamic nations in North and West Africa and take a roundabout way to meddle in Mid-eastern affairs.

D. Win over such countries as Zimbabwe, support the anti-South African organization in Namibia, attack South Africa on racial problems and place the United States in an awkward position, and develop influence in southern Africa.

(3) Comment:

Peip'ing's efforts to dig in Africa has a fairly long history and its political investment there is somewhat heavy too, and comparatively devoid of imperialistic and colonial coloring. For this reason and also the reason that it can humor the discontent of African nations and even extend diplomatic support to such psychology, the Chinese Communists are rather popular with many of the African nations and the basis of their relations with them is also fairly solid. However, as poverty is a common disease in Africa and many African nations stand in constant need of massive aid from developed countries, while the regime is itself often cash-strapped and, except for lip service, unable to aid African nations persistently and compete successfully with U.S., Soviet and Old European influences in Africa, Peip'ing's influence in Africa is so far still limited.

6. Chinese Communist diplomacy aimed at Latin America:

(1) Basic policy:

In the case of those countries that diplomatically recognize Peip'ing, gradually build stable relations with them through high-level invitations and development of economic, trade and cultural relations; in the case of those countries that have no diplomatic ties with the regime, build first channels of contact before the attempt to establish diplomatic relations and do all this under the principles of "the separation of party and government" and "the separation of politics and economics." The ultimate objective is to make Latin America a part of the force of the Third World led by the Chinese Communists, reject the Soviet Union, and vie with the United States for influence in the region.

(2) Tactical ways:

A. Sing in tune with the political claims of Latin American countries, and give diplomatic support to such claims to win these countries' goodwill (as, for instance, the support given to Latin American countries' stand on foreign debt and their claim for the 200-mile offshore economic zone.)

B. Give publicity to the common ground the regime shares with Latin American countries in matters of national stand and to the feasibility of economic, trade and technical co-operation; minimize as best as one can ideological differences and seek to persuade countries to strengthen relations with the Chinese Communists.

C. In the case of those countries that are not diplomatically connected with the regime, express, formally or through other Latin American countries, the wish to establish diplomatic relations with them along with such a statement that prior to the establishment of formal relations any development of economic and trade relations would do both sides good. In a word, "contact before any breakthrough."

(3) Comment:

A. Of late, the regime has gradually placed emphasis on the development of relations with Latin American nations, an emphasis typified especially by Chao Tzu-yang's 1985 visits to four major Latin American countries. Chao's visit to Latin America serves a double purpose. On the one hand, Peip'ing hopes to draw Latin American countries into the fold of the International Third Force that the regime is planning to build so it can become a part of the tripartite world power; on the other, it hopes to divide and sow the seed of discord at a time when the United States and Latin America are at outs with each other and thus turn the continent into a sort of pressure on Washington which Peip'ing can use as a chip in its bargaining with the United States and blackmail the latter into accepting conditional exchanges in substantive matters.

B. In recent years the regime has been aggressively engaged in pushing for the restoration or establishment of relations with communist organizations in non-communist

countries. In June 1986, for example, Peip'ing invited the general secretary of the Brazilian Communist Party to visit the Chinese mainland and managed to persuade the latter to accept the proposal of the establishment of relations. So far, the Chinese Communists still believe that they are obliged by internationalism to develop relations with all communist organizations in the world and give moral support to them. In long-range terms, the regime's activities in Latin America of getting into contact with the communists there can pose a potential threat to non-communist countries. This is a development one cannot afford to disregard.

RPCH

85

135/B

CONFIDENTIAL

DATE: August 14, 1986

SOURCE: Comprehensive Information

SUBJECT: Peip'ing's Foreign Policy and Its Relations with the World

I. Chinese Communist Relations with the Soviet Union and the East European Bloc

1. Pattern of the development of relations:

The basic pattern of the Peip'ing-Moscow ties in recent years has been one marked by "limited peace-making and restrained contention." Lately there have been efforts for both sides to engage in positive dialogues, bypass differences, minimize conflicts, gradually elevate political and economic tie-ups, and improve party-to-party relationship. All is evidence that the two communist regimes, striving for practical interests and responding to both subjective and objective circumstances, have adopted the tactics of "more peace and less fight."

2. Efforts at the ease of tension:

(1) Elevation of the level of contact:

Reciprocal visits by government officials have advanced to the level of vice premier while interflows between national groups have also expanded to the extent of government-to-government contact.

(2) Promotion of economic and trade relations:

A. On the Peip'ing-Moscow side:

In 1985 the value of trade between the two sides was as high as US$2.2 billion and a number of agreements between the two concerning border trade, economic relations and trade for 1986-90 and economic and technical cooperation were also signed. This past March the two regimes convened in Peip'ing the first meeting of the Economic, Trade and Technological Cooperation Commission in which vice premiers from both sides were present. According to the agreements already signed, in the five years to come the Peip'ing-Moscow trade will rise to US$14 billion and the Soviet Union has also committed itself to helping the Chinese Communists build seven new massive basic industrial installations and rehabilitate 17 industries and enterprises that came as a part of the Soviet aid during the '50s.

B. On the Chinese Communist-East European side:

In 1985, the bilateral trade was 2.9 billion in dollar terms and an economic and trade agreement for 1986-90 and a pact on economic and technical cooperation were also signed. In accordance with the agreements signed, East European countries not including Albania have already embarked on helping the Chinese Communists put in order 90 industries and enterprises that came as a part of the Soviet aid in the '50s and cover such areas as machinery, electronics, chemical industry, shipbuilding and mining.

(3) More interflow activities:

For the past year, the Chinese Communists and the Soviet Union have seen the occurrence of 45 interflow activities between them involving 146 reciprocal visits, many of them the first in 20 years. Cultural, educational and sports exchanges between the regime and Eastern Europe are also increasing accordingly from day to day.

(4) Efforts at improving inter-party relations:

The Soviet Union, East Germany, Hungary, Poland, Czechoslovakia and Bulgaria and the Chinese Communists have acknowledged one another as "socialist countries" and the chiefs of all these regimes are "comrades" when they come to address one another. There have also been reciprocal visits by labor unions. Peip'ing's Foreign Minister Wu Hsueh-ch'ien and Soviet Foreign Minister Shevardnadze compared notes on inter-party affairs in September 1985 at the United Nations and though they agreed to disagree in certain matters, they said that would not hinder their efforts at the improvement of the two sides' relations. Moreover, since 1982 when they bettered their relations, the Chinese Communists and the Soviet Union have conducted 8 rounds of talks aimed at normalizing relations and after each round, there had been perceptible substantive improvement of relations. Peip'ing and Moscow have agreed to hold the 9th round of such talks in October 1986.

3. Inter-communist contention carried on:

(1) Both the Chinese Communists and the Soviet Union hope to gain vantage ground in the Washington-Moscow-Peip'ing triangle for the sake of greater substantial benefit. On this account, the Soviet Union and the Chinese Communists have never

stopped contending for the leadership in the communist world and by extension have never ceased to vie with each other to win over the Third World so as to add to their appeal in the outside world. Though Peip'ing and Moscow are now trying to bypass their differences, they nevertheless maintain their original standpoints and do not see each other as entirely trustworthy friends.

(2) Currently the Chinese Communists are Janus-faced in their attitude toward Eastern Europe. On the one hand, under the banner of "concerted efforts to flesh out the totality of socialist objectives" the regime says that it has sincerity in bettering its relations with the Soviet Union so as to draw East European countries to its side and thus gain an advantageous position in its contention with the Soviets, on the other, Peip'ing also greatly advertise its "independent and autonomous" diplomatic road hoping thus it can further drive a wedge between East European countries and the Soviet Union and wreck East Europe's intention to play ball with Moscow and finally increase its own leverage in international affairs.

(3) All key members of the Warsaw Pact such as East Germany, Poland, Bulgaria, Hungary and Czechoslovakia have the intent to improve their political and economic connections with the Chinese Communists, as in so doing they not only can gain substantive economic benefit but can also raise their own statuses, which in turn would help them wrest greater autonomy from the Soviet Union; Yugoslavia and Romania also hanker for more connections with the Chinese Communists so as to increase their influences in the Third World; as to Albania, it rests contented merely with the obtaining of economic and technical aid from the Chinese Communists.

4. Where things would lead:

(1) Peip'ing-Moscow relations:

First, substantive relations such as cooperations in economic, trade and technological affairs and interflows of personnel and cultural and educational activities are bound to improve by leaps and bounds; second, in the political aspect, fearing that any over-intimate relationship with the Soviet Union would upset the United States, Japan and a number of Western countries whose capital and technology are what they need in their focal military and economic buildup, the Chinese Communists will take "small steps" to improve its political ties with the Soviet Union gradually; third, in terms of inter-party relations, the two sides still have

many differences and therefore there may not be any breakthrough in the nearest future in this respect; however, in long-range terms, as both sides have downplayed their ideological conflict and turned instead to the pursuit of strategic interests and, furthermore, as in his speech delivered on July 28 at Vladivostok Gorbachev declared that the Soviet Union would pull its troops by stages out of Afghanistan and Outer Mongolia, Peip'ing and Moscow may gradually normalize their party relations, though it is improbable that they will revert to their chummy relations during the '50s.

(2) The Chinese Communists and Romania and Yugoslavia will retain their intimate political and party relations and carry on their cooperation in economic and technical affairs. As to Albania, with Peip'ing's promise to continue to send it economic and technical aid, the regime's relations with it will gradually be on the mend.

(3) It is alreadyan established policy for the Chinese Communists and the Soviet Union to keep on bettering their political and economic relations; thus, under this influence, Peip'ing's political and economic tieups with East Germany, Poland, Hungary and Czechoslovakia are surely to improve by stages. It is true that inter-communist relations are swayed by Peip'ing-Moscow relations, yet in view of the fact that the Chinese Communists have already contacted East Germany and Hungary in party-relations matters the two latter countries are more likely the first to restore their party relations with the Communist regime on the Chinese mainland.

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EXCHANGE OF INFORMATION
CONTENTS

March 1987

CONFIDENTIAL

DATE: March 26, 1987

EVALUATION: A - 1

SOURCE: Intelligence Report

SUBJECT: Gist of Document No. 3 Issued by CCP Central Committee in 1987

1. Hu Yao-pang found blameworthy:

(1) Hu's attitude toward spiritual pollution and bourgeois liberalism:

After his brief espousal of the fight against spiritual pollution, Hu quickly sought after excuse to persistently negate the fight. When preparatory work was being done for the fourth congress of "The Writers' Association" in December 1984, Hu specifically said, "From now on forget the fight against spiritual pollution, and the fight against bourgeois liberalism, too." It was this attitude of his that led to the freshet of bourgeois liberalism among the intellectual and cultural circles. Though at a later time he drew in his horns a bit, yet because of his continual spinelessness and giving in when faced with the flooding of bourgeois liberalism those clamoring for liberalization were encouraged to raise the level of their demands and bluntly called for the abolition of the four cardinal principles, an overall Westernization and the introduction of the capitalistic economic and political systems. If there were any motivations behind the student protests in 1986, such demands were.

(2) Hu's attitude toward the unification of thoughts:

Hu was accused of not having done well in dealing with the four roles of party rectification: the unification of thoughts, the correction of work ethics, the betterment of discipline and the purification of the organization. The party was particularly offended by Hu's action to change the unification of thoughts into "the setting up of right criteria of work performance and the offering of guidance

in ideological matters" and by his rare mentioning of the insistence on the four cardinal principles -- the basis of the party and the statehood -- after his remarks "Party rectification promotes the economy and the economy tests the effectuality of party rectification." As a result, the original "two-way struggle" conducted by the party became a one-way struggle against the left only, not against the right.

(3) Hu's attitude toward economic work:

According to a resolution passed by the central authority, the rate of growth in the first decade of the two planned decades should be slow so as to lay the groundwork for the take-off in the next decade; yet Hu was opposed to this resolution and, braving the central authority's criticism, publicized here and there his high yardsticks, prematurely doubled statistical figures for the future and brought up inflated ideas. His emphasis on consumption as a stimulus to production and his objection to slogans favoring hard work and frugality and to more savings and more foreign exchange reserves resulted in the serious loss of economic control in 1984 as in that year the totality of allotment exceeded by far the totality of supply.

(4) Hu's attitude toward political work:

Flying in the face of the pronouncements made by the leaders at the third plenum of the eleventh central committee, communiques, the party and the state Constitutions, Hu over and over again publicized his philosophy that the fortunes of a country depended not on politics but on government by the meritorious and behaved in such a way as to interfere with the legislative work and procedures.

(5) Hu's attitude toward foreign policy:

On many occasions Hu "broke rules of diplomacy and said many things he was not supposed to say."

(6) Hu's record as an undisciplined party member:

Hu used not to obey the decisions reached at party meetings and habitually commented, unauthorized, on

important issues. Though for such errors he was often admonished by leaders of the central authority, especially by Teng Hsiao-p'ing who represented the Politburo's standing committee, he was still perverse in having his own way.

2. Essentials of "My Stand" published by Hu Yao-pang:

(1) Hu admitted bluntly that his errors were "not common errors but a series of serious errors involving political principles." "Those errors," said he, "have done serious harm to the party, the 'country' and the people."

(2) Hu emphasized that the criticism he had been subjected to, except for a few points in it which were not totally true to fact, was really education full of sincerity and patronage.

(3) To the comment that his "scope of overhaul was already very narrow and yet his mind was still not clear enough to get the real picture of things," Hu expressed that he would accept it with all his heart and would go further to sort out his own ways of thinking as an inspection of his own loyalty and candor to the party.

CONFIDENTIAL

DATE: March 26, 1987

EVALUATION: A - 1

SOURCE: Documentary Information

SUBJECT: 10 Factors Affecting Foreign Investment on Chinese Mainland

In his speech recently delivered in Canton at a panel discussion on international investment, Professor Chang Wu-ch'iang of Hongkong University pointed out, as below, 10 factors, which would affect the foreign investment on the Chinese mainland. The said speech was reprinted in the 27th edition of the "national communication network," a publication compiled by the "research institute of market management and sales of Wenchow, Chekiang province."

1. Lack of a sound legal system:

There are many things, which look like a wise move today but turn out to be otherwise tomorrow as a result of policy change. This will often make people think of Pei-p'ing's policy unfathomable.

2. Unable to do business as a businessman:

In negotiating a business deal, foreign businessmen have to play favoritism and seek connection. In the case of overseas Chinese businessmen, they would, in addition, indicate their "patriotism." This will cause embarrassment to foreign investors.

3. Unwilling to let foreign businessmen make big money:

There always exists a notion in the mind of Peip'ing's authorities concerned that no foreign businessmen should make big profit. As a result, big business deals can not be made as foreign businessmen would not dare to risk high stakes but small ones, on the contrary, become numerous, thus affecting the original purpose of inducing foreign capitals.

4. Tax items rich in variety:

While there are not too many tax items on paper, the actual expenditure one has to meet is, in fact, numerous. Besides, the tax rate is too high. This would leave foreign businessmen to have no alternatives.

5. Too many control over entry and exit:

The rules governing the entry and exit matters are not only complicated but keep changing all the time. Every sort of things requires approval, which not only takes a lot of troubles to accomplish but easily leads to corruption.

6. Land not for sale:

Since foreign businessmen are not allowed to buy land and thus incapable to operate a business setup entirely with their own capital, they will have to seek joint business ventures with the Chinese Communists as partner. This would more or less affect the transfer of technology.

7. Worker's benefit set too high:

The percentage set by the labor department is surprisingly high. Talking about the welfare before the profit is made will render no advantage to both labor and management.

8. Insufficient understanding of world market situation on the part of cadres:

To pass judgment on world market situation by self-discernment would only result in loss instead of profit. This will often make foreign businessmen unwilling to carry on.

9. Discriminating foreign businessmen:

As foreign businessmen are often denied the lease of a commodity stand in the economic special zone, it is too premature to talk about the free market economy.

10. Foreign exchange control too strict:

The rule that no foreign exchange can be sent out without approval affects the confidence of foreign investors. Besides, the procedure is too cumbersome. While worrying that they can not send out the profit they have made, they certainly would not dare to make their business deal bigger.

CONFIDENTIAL

DATE: March 25, 1987

EVALUATION: C - 3

SOURCE: Intelligence Report

SUBJECT: Chinese Communists Help Train Antigovernment Assamese United Front Guerrillas in India

Reports say that the two antigovernment organizations in Northeast India, the Assamese United Front and the Liberation Front, have recently sent batches of their members to Yunnan province on the Chinese mainland via Burma where to receive training in guerrilla warfare. The training period is 6 months and upon the completion of their training the trainees will return to the border area between India and Burma to engage in anti-Indian activities.*

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* In recent years the Chinese Communists have kept on secretly training and aiding the antigovernment elements in Assam, India, but details of the training are so far still unavailable.

CONFIDENTIAL

CONFIDENTIAL

DATE: March 26, 1987

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Peip'ing Falling over Itself to Woo Bulgaria

After winding up his trips to Czechoslovakia and Poland, Peip'ing's Foreign Minister Wu Hsueh-ch'ien arrived in Bulgaria on March 13, the third communist regime in Eastern Europe to visit in his itinerary. During his three-day visit to Bulgaria, Wu held two rounds of talks with Bulgaria's Foreign Minister Petur Mladenov respectively on the afternoon of March 13 and on the morning of March 14, and met with Todor Khristov Zhivkov, General Secretary of the Bulgarian Communist Party and Chairman of the Bulgarian State Council (chief of state) on the morning of March 15, who, announced Wu after the meeting, had accepted an invitation to visit Peip'ing in coming May. Other important Bulgarian figures Wu had met included Georgi Atanasov, Chairman of the Bulgarian Ministerial Conference (premier), Andrey Lukanov, first deputy chairman of the same conference (first deputy premier) and Milko Balev, Member and Secretary of the Bulgarian Politburo. On March 13, Chinese Communist ambassador to Bulgaria T'eng Shao-chih and Bulgaria's deputy foreign minister signed on behalf of their respective government a 1987-88 cultural cooperation plan, and T'eng also signed with the Bulgarian Foreign Ministry's division chief of culture and division chief of consular affairs an agreement on the two sides' cultural cooperation and a treaty involving the two sides' consular affairs. Wu wound up his visit on March 16 and left for Italy to continue his trip to Western Europe which, in addition to Italy, would cover San Marino, West Germany and Switzerland.

In his interview with Zhivkov, Wu briefed him on Peip'ing's current policies, planned programs and tasks to undertake and said the Chinese Communists welcomed his coming visit. On his part, Zhivkov introduced to Wu Bulgaria's current economic agenda and strategic emphasises, saying that Bulgaria's current main tasks were to give priority to the development of electronics, biological engineering and information industries, raise the quality of Bulgarian products and

adjust the industrial structure so as to improve the quality of Bulgarian economy. Wu described the talks as "long discussions carried on amidst the atmosphere of camaraderie," indicating that the two sides had touched on a wide spectrum of subjects, but either side refrained from divulging the details of the talks.

At the meeting in which Atanasov represented the Bulgarian side, the two sides were said to have carried on "sincere and friendly" discussions of their economic relations and recognized that, in view of the actual needs of socialist economic development, there existed between them the possibility of the development of, and cooperation in, all mutually beneficial economic relations and also the consensus that "they should take concerted action to seek after and open up new channels of cooperation."

Notes:

1. Bulgaria established its diplomatic relations with the Chinese Communists on October 4, 1949, and in the '60s, with the rift between Peip'ing and Moscow, discontinued its dealings with the Chinese Communists. As they were eagerly desirous of restoring relations with Soviet bloc countries in Eastern Europe after the CCP's 12th Congress, Peip'ing sent in May 1983 Ma Hsu-sheng (division chief of Soviet and East European Affairs in the regime's foreign ministry) to Bulgaria to send overtures to it; then with signs of improvement in Peip'ing-Moscow ties the two sides resumed their contact. Since the latter half of 1985, with aggressive efforts on the part of the Chinese Communists to court Bulgaria, there had been increasing contact between the two and the level of contact had also been raised from time to time -- from the deputy minister level to the deputy premier one. On December 21, 1985 Li Peng and Lukanov signed on behalf of their respective governments in Sofia a long-term trade agreement effective from 1986 to 1990. The two sides predicted that their trade would reach US$468 million in five years. The amount of trade for 1986 was not revealed, but Peip'ing says the one for 1987 will increase 30 percent than the one in 1986.

2. Wu Hsueh-ch'ien is the first Chinese Communist foreign minister ever to visit Bulgaria since the resumption of relations between Peip'ing and Sofia. The Peip'ing-Sofia ties were originally not so strong as the Peip'ing-Budapest ones, but now they tend to be stronger than the Chinese Communist-Hungarian connection. It is expected that after Zhivkov's coming visit to Peip'ing in May Bulgaria will be the third country in the East Bloc to normalize its relations with the Chinese Communists after Poland and East Germany.

CONFIDENTIAL

DATE: March 19, 1987

EVALUATION: B - 3

SOURCE: Intelligence Report

SUBJECT: International Police Bureau Established in Laos

According to an intelligence report, the Laotian Ministry of Interior has recently established an "international police bureau" at the suggestion of the Soviets. (The previous American kindergarten, 6km from Vientiane, has been chosen as the site of the bureau). It has the responsibility for training secret police to be assigned to the Laotian diplomatic posts overseas. Once on overseas mission, they are required to keep contact with the Soviet overseas secret police. The Soviet Union gives US$60 million aid to the bureau each year and special fund will be provided if circumstances need.

The vice minister of the Interior is the concurrent head of the bureau. According to the same report, Vice Minister Kanpon, who was once sent to Moscow to receive secret police training, has both the intelligence and military background. Presently, he is also charged with the responsibility to direct the Thai Communist activities in Laos.

CONFIDENTIAL

DATE: March 18, 1987

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Soviet Technicians Back to Help Expand Iran's Steel Industry

About 1,200 Soviet technical personnel have returned to Esfahan to help the Iranians maintain and expand a steel complex, Soviet diplomatic sources disclosed. Those Soviet technicians left Esfahan in 1985 when Iraq launched massive air raids against Iranian cities and Iran retaliated through missile attack.

The first batch of Soviet technicians have reached Esfahan to join other foreign technicians from Czechoslovakia and East Germany, and more Soviets are expected to come along with Soviet equipment, the Soviet diplomatic sources added.

DATE: March 19, 1987

SOURCE: Comprehensive Information

SUBJECT: Assessment of the Growing Role of People's Liberation Army

Brief Summary:

1. The People's Liberation Army (PLA) used to play an important role in the power struggle of the Chinese Communist Party. Also, the decisive role played by the PLA has led to the recent ouster of party general secretary Hu Yao-pang. At an enlarged meeting of the Central Military Commission (CMC) held in December 1986 Hu was said to have faced opposition from the military, who refused to support Hu who had never held a military position. Meanwhile, Teng Hsiao-p'ing and other veteran leaders were dissatisfied with Hu before student unrest. So Hu's ouster was a foregone conclusion at that time.

2. It may be recalled that when the 6th Plenum of the 11th CCP Central Committee was held in 1981 to oust Hua Kuo-feng, Hu Yao-pang was only permitted to take over the party chairmanship from Hua, while Hua's concurrent job--the CMC chairmanship--went to Teng Hsiao-p'ing,

partly due to veteran leaders' unwillingness to let Hu grasp the military power and partly due to Teng's personal desire for the CMC chairmanship. In 1982 when the 12th party Congress was held to revise the party constitution, the party chairmanship was abolished and a general-secretary post was created instead. Creation of a party general-secretary post means removal of Hu's post as party chairman. It is chiefly due to the impact of military power that led to Hu's loss of party chairmanship five years ago and the recent ouster from party general-secretary post.

3. The PLA is playing a leading role in the current "struggle against bourgeois liberalism," and is intervening in administrative affairs of local government through the activities of "joint efforts of the PLA and the civilians to build a socialist spirit." Recently, the CCP Central Committee has instructed its subordinate units that "Decisions on PLA Political Work in New Era" adopted by the CMC are also applicable to various localities, departments and fronts. This development should indeed deserve our attention.

Commentary and Analysis:

1. The CMC met for an enlarged meeting December 11-25, 1986 when the student demonstrations spread across the mainland. The meeting was held to convey Teng Hsiao-p'ing's instructions aimed at strengthening political work; and immediately after the meeting, an anti-bourgeois liberalization campaign was launched. This indicates that Hu Yao-pang's resignation has been discussed at the meeting and that the conclusion was foregone.

2. The PLA is playing quite an active role in the campaign against bourgeois liberalism. All military personnel are required to study party documents including recent speeches by Teng Hsiao-p'ing and basic Marxist works together with the decisions reached at the enlarged meeting of the CMC. In addition, the PLA is instructed to strengthen internal control as well as party discipline. Also, the PLA is asked to identify itself politically with the CCP Central Committee and punish those who advocate bourgeois liberalization. On the other hand, the General Political Department has issued to all PLA units a circular outlining major points on the "persistence in the four cardinal principles and opposition to bourgeois liberalization." Meanwhile, the General Staff Department has

sponsored a series of seminars participated by PLA senior cadres and propaganda as well as theoretical staff, stressing that opposing bourgeois liberalism is a "serious political struggle" and that all officers, soldiers and staff must take part in the campaign against "bourgeois liberalism." This indicates that Peip'ing's campaign against bourgeois liberalism has been carried out beyond the scope in spite of its efforts to limit the drive to the party.

3. The CCP Central Committee has recently instructed its subordinate units that "Decisions on PLA Political Work in New Era" previously issued by the CMC are also applicable to various "localities, departments and fronts in their efforts to do well ideological and political work." This serves to show that the PLA is playing a leading role in the campaign against bourgeois liberalism.

4. Teng Hsiao-p'ing has been trying to scale down the role of the PLA and keep it out of politics since he came to power. But current development indicates that Teng is utilizing the PLA for political struggle in order to consolidate his power base. Since the military is considered a leftist holdout against Teng's

reforms, Teng's move is likely to enable the PLA playing a more active role in the decision-making process. This development should indeed merit our attention.

CONFIDENTIAL

Reference Data:

Dispatch of Hsinhua News Agency, December 25, 1986.

Dispatch of Hsinhua News Agency, December 26, 1986.

Dispatch of Hsinhua News Agency, December 27, 1986.

Disptach of Hsinhua News Agency, February 17, 1987.

Dispatch of Hsinhua News Agency, February 25, 1987.

DATE: March 18, 1987

SOURCE: Comprehensive Information

SUBJECT: Peip'ing Opposes Mongolia's Proposal to Hold Asia-Pacific Communist Party Meeting

1. Background situation:

(1) The international organization of Communist parties ceased to exist since the disbandment of Comintern in 1943. In an effort to regroup world Communist organizations, the Communist Party of the Soviet Union(CPSU)advocated holding in 1964 the third "World Communist Party Conference" to be represented by Communist parties from 26 countries. As only a dozen Communist parties accepted Moscow's invitation, the proposed conference was then replaced by an informal "meeting." But when the so-called "consultative meeting" was finally held in Moscow in March 1965, only Communist parties from 19 countries were represented at the meeting. Instead of joining the meeting, the Chinese Communist Party (CCP) denounced it as an "illegal meeting." Consequently, the world Communist parties split into two camps.

(2) In 1986, the Mongolian Communist Party advocated holding an "Asia-Pacific Communist Party (Workers Party) Meeting" to be scheduled for Ulan Bator this summer.

2. Peip'ing's reaction:

(1) At a press conference held on February 11, Peip'ing's foreign ministry spokesman publicly opposed the "meeting" proposed by Mongolia, stressing that the CCP used to advocate holding discussions bilaterally and freely on the basis of "independence, equality, mutual respect and non-interference in internal affairs." The spokesman added that under present circumstances, "conditions are not ripe" for holding a multilateral meeting among Communist parties.

(2) Reasons behind Peip'ing's opposition are twofold:

A. The "Asia-Pacific Communist Party Meeting" advocated by Mongolian Communist Party is actually master-minded by

the CPSU which wants to regroup international Communist parties and play a leading role. Since the Chinese Communists intend to scale down the influence of the CPSU by advocating "independence" among world Communist parties, their opposition and resistance to the proposed "meeting" is a matter of course.

B. To carry out its struggle against the CPSU and allay the West's fear of a possible Peip'ing-Moscow rapprochement, the CCP has deliberately indicated its reluctance to get into contact with the CPSU. For the CCP to participate in the "meeting" proposed by the Mongolian Communist Party would be disadvantageous so far as Peip'ing's diplomatic strategy is concerned.

3. Summing-up:

(1) In response to the 1964 "World Communist Party Conference" proposed by the CPSU and the "World Communist Party Meeting" held by the CPSU in 1965, the CCP has respectively given "serious warning" beforehand, denouncing it as a move of split. Instead of coming up with "warning," the CCP responded to Mongolia-proposed "Asia-Pacific Communist Party Meeting" only by saying that "conditions are not ripe." This demonstrates that the CCP has shifted to a flexible position in an apparent attempt to take advantage of situation.

(2) If the Mongolia-proposed "meeting" can be successfully held in Ulan Bator in spite of Peip'ing's opposition, the CCP would find itself in an unfavorable positon. Such being the case, it is still possible for the CCP to soften its position of refusing to participate in the multilateral activities among Communist parties in the Asia-Pacific region. This development should indeed deserve our attention.

CONFIDENTIAL

DATE: March 18, 1987

SOURCE: Comprehensive Information

SUBJECT: Analysis of America's Move to Relax Restraints on Its Foreign Policy Toward North Korea

The U.S. Department of State confirmed on March 9 that it had instructed on February 26 its diplomatic personnel stationed abroad to get in touch with North Korean officials and discuss substantive matters with them on a freer basis so long as such contact and talks are conducted in a neutral environment. This new American move is bound to produce certain impact on the Korean Peninsular situation and our analysis of this is as follows:

1. Background of the relaxation:

(1) The United States and North Korea have had so far no formal diplomatic relations. In 1983 the American Administration instructed its diplomatic officials abroad to restore social contact with North Korean officials, yet the contact was soon interrupted because of the bombing incident in Rangoon.

(2) After Gorbachev delivered his speech at Vladivostok in July 1986, Soviet activities in the Asia-Pacific area grew more aggressive and military relations between North Korea and the Soviet Union grew closer than ever before, too.

(3) U.S. Assistant Secretary of State of Asia-Pacific Affairs Gaston Sigur expressed on February 6 that the United States could help South Korea politically in two ways: help to strengthen South Korea's defense power against potential North Korean subversion and reduction of the tension on the Korean Peninsula.

2. Chief purposes:

(1) Patching up the political rift between Seoul and Pyongyang so as to help create an environment favorable to the restoration of dialogue between the two and further stabilize the regional situation of Northeast Asia.

(2) Reducing North Korea's overdependence on the Soviet Union and hence slowing down aggressive Soviet operations in

the Asia-Pacific area.

(3) Protecting South Korea from any possible threats to the 1988 Olympics in Seoul and indirectly inducing South Korea to establish a more "liberal and legitimate" stable political system.

(4) Expecting to make up the damage suffered by the Reagan Administration in the Iran arms deal scandal by displaying the fruit of American influence in Asia-Pacific affairs.

3. Potential effects:

(1) The American peace initiative may help North Korea get into possession of more useful chips and may also help it develop its economy, trade and diplomacy.

(2) A deeper American involvement in the Korean Peninsular issue may possibly compel the South Korean government to pay serious attention to its domestic political issues and step up political consultation between the government and the opposition.

(3) Under the pressure of superpowers the two Koreas are likely to reopen their pluralistic dialogues; however, as there are deep-seated differences between the two, such dialogues, though they are likely to produce some stabilizing effects on the Korean Peninsula, are still a long shot at any decisive settlement of the issues that split the two.

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EXCHANGE OF INFORMATION
CONTENTS

April 1987

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DATE: April 8, 1987

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Candidate for CCP's General Secretary to Be Decided At Its 13th National Congress

As recently indicated by Yao I-lin, Peip'ing's Vice Premier of the State Council, Chao Tzu-yang will still be the heads of government and party for the time being. Yao's viewpoints are as follows:

1. It seems to be difficult for a person to perform the duties of both General Secretary of the Party and Premier of the State Council at the same time. Besides, this will run counter to the idea of separating party from government in so far as the structural reforms are concerned.

2. The General Secretary must be elected by the CCPCC. Chao therefore is only the acting party chief while still retaining his current post of the Premier.

3. As to the formal candidates for both General Secretary of the Party and Premier of the State Council, it is a matter that will be decided at the 13th Party Congress, scheduled to take place in the latter half of this year.

CONFIDENTIAL

DATE: April 8, 1987

EVALUATION: A - 1

SOURCE: Documentary Information

SUBJECT: CCP's Propaganda Department Issues Notification Urging Party Members to Learn from Teng's Pronouncements on Struggle Against Bourgeois Liberalism

The Chinese Communist Party's Propaganda Department has recently issued a notification urging all party members and cadres to study in a serious manner the two books by Teng Hsiao-p'ing: "The Buildup of Chinese-style Socialism" (enlarged edition) and "The Insistence on the Four Cardinal Principles and the Opposition to Bourgeois Liberalism." The notification concerns mainly the following:

1. Areas to be stressed in the study:

(1) A full understanding of the important parts of the two books and the recognition that the insistence on the four cardinal principles is an essential rule in statehood and statecraft and the foundation of both domestic and foreign policies.

(2) The strengthening of the education in "ideals, morality, culture and discipline" and the demand that people be more determined to resist capitalism, feudalism and all decadent thoughts.

(3) Explicit stance on the fight against bourgeois liberalism and the will power to overcome the flabbiness and anarchy that characterize the ideological front.

(4) Attention to realities and the ideological struggle carried on two fronts: "Oppose the left if there is a left" and "Oppose the right if there is a right."

2. Demands raised:

(1) Party members and cadres on the ideological

front and in departments in charge of ideological and cultural affairs must in their learning sessions be attentive to how to find efficacious answers to issues involving political principles and directions.

(2) Leading cadres, particularly leading cadres on the economic front and cadres and party members practically engaged in economic affairs, must come together to study the decisions reached regarding the reform of economic structure and theories pertaining to the development of planned socialist commodity economy and go further to use Marxist viewpoints and methods to seriously sum up their experience, explore and resolve problems occurring in the course of the reform, opening-up and building-up programs.

(3) Party members and cadres must overcome the long-standing and widespread tendency among learners to overlook works by Marx, Lenin and Mao Tse-tung.

DATE: April 7, 1987

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Peip'ing's Air Force Listed as One of Target Areas In Campaign Against Bourgeois Liberalism

The Chinese Communists have recently listed as one of the target areas the air force in the current campaign against bourgeois liberalism. As instructed, the air force has incorporated the activities of the campaign into the work of troops realignment and treated such activities as the central task of the air force in 1987. The demands accompanying such activities are:

1. Criticize reactionary utterances and check by contrast and criticize one's own self and those around one.

2. Bring together for learning sessions those are vocal, yearn for Western culture and liberalism and listen to broadcasts from Taiwan and foreign countries.

3. Designate any air force unit as "a heavily afflicted area" if any flying officer in that unit has defected to Taiwan.

Note:

As Peip'ing's air force men are comparatively better educated, long for the freedom and democracy in the West and the prosperity and progress in Taiwan, and are moreover in the habit of listening to broadcasts from Taiwan and foreign countries, not surprisingly have the Chinese Communists listed the air force as one of the target areas in the campaign against bourgeois liberalism.

DATE: April 7, 1987

EVALUATION: C - 3

SOURCE: Intelligence Report

SUBJECT: Castro and Chebrikov Met for Intelligence Cooperation

As we have learned, Cuban President Fidel Castro and Soviet KGB head Chebrikov met in Havana at the end of March this year to discuss matters concerning the intelligence of the Central and South American continents. It is said that Cuba has trained out some 10,000 guerrillas for infiltrating and subverting the Central and South American countries.

Notes:

1. Apart from creating anti-American feeling in Latin America, the main purpose of the Soviet Union to see Cuba is to root out the U.S. influence in the region so as to facilitate its ultimate goal to communize the world.

2. It would be appreciated if you could provide us with additional information and comments on the subject matter.

DATE: April 7, 1987

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Troop Strength of Soviet Pacific Fleet

The following provides a glimpse of the main body of the Soviet Pacific Fleet and its attached units:

1. The strength of the Pacific Fleet:

(1) Naval vessels:

Approximately 840 with an aggregate displacement of 1,850,000 tons, including 2 aircraft carriers, 93 surface warships and 140 submarines.

(2) Aviation units:

Approximately 450 combat planes (including helicopters) of which more than 40 are the latest TU-22M (Backfire) bombers.

2. The marine corps ("naval infantry"):

(1) Missions:

Like U.S. marines, Soviet marines conduct amphibious landing operations; in addition, they also launch surprise attacks to seize such important objectives as enemy coastal bases and sometimes carry on harassment operations behind enemy lines.

(2) Manpower:

About a division (8,000 men) in the Pacific Fleet.

3. Naval special forces:

(1) Their primary mission is to carry on

harassment activities by way of surprise attacks behind enemy lines. In other words, their objectives are to conduct sabotage activities against enemy nuclear bases, higher command headquarters, communication centers and national capital so as to help with the thrust of the main fighting force.

(2) These forces, about 35,000 to 38,000 strong, belong to the intelligence directorate (GRU) of the Soviet General Staff. In principle they are commanded and employed by the intelligence directorate, yet in actuality they are all attached to the various military regions or fleets.

(3) The Far Eastern Command of these forces is located at Vladivostok. Because of the nature of their missions, most of these forces deployed in the Far Eastern region are offspring of Koreans and the Japanese.

(4) The Soviet Pacific Fleet has been attached with a brigade of these forces and has also an intelligence center at Vladivostok charged with harassment activities behind enemy lines. The brigade itself commands a special flotilla of small submarines for underwater operations.

DATE: April 10, 1987

SOURCE: Comprehensive Information

SUBJECT: Assessment of Impact on Teng Hsiao-p'ing's Ideological, Political and Organizational Lines

Brief Summary:

1. In the ruling hierarchy of the Chinese Communist Party, the typical decision-making formula consists of ideological, political and organizational process; and the basic guiding principle of each process is referred to as "lines."

(1) Ideologically, Teng has been pursuing his line known as "judging truth on the basis of fact" since the 3rd Plenum of the 11th CCP Central Committee. By "fact," it means internal and external environment; by "judging," it means acknowledgement of internal and external environment; and by "truth," it means final decision to be made. In actual application, however, the conservatives and the reformists each do what they think is right, and try to justify what they have done. As a result, impact was brought about on Teng.

(2) Politically, "four modernizations" used to be Teng's "greatest politics." In this connection, emphasis was laid on "reforms, opening and revitalizing." Although "anti-bourgeois liberalism" and "four cardinal principles" were mentioned from time to time in Teng's speeches before, deviation from Teng's political line has never been severely dealt with except timely warning. Now, Teng came up personally with the struggle against bourgeois liberalism, reaffirming his opposition to pursuing capitalist road apparently under outside pressure.

(3) Organizationally, for the purpose of maintaining political stability and continuity of Tengist pragmatic policies, Teng has been working on establishing a three-tier leadership system for years; and some progress has been made in this connection. Now with the ouster of Hu Yao-pang, the Teng-Hu-Chao hierarchy has become a broken troika; and restructure of the ruling hierarchy can not be done overnight.

2. Teng's remarks were quoted by the "conservatives" in their fight against bourgeois liberalism. This indicates that Peip'ing's current

campaign against bourgeois liberalism represents intra-party lines and power struggle, and that Teng is at his wit's end in his efforts to push the reforms. These developments should deserve our attention.

Commentary and Analysis:

1. Impacts received:

(1) In terms of ideological lines:

The ideological line adopted by the 3rd Plenum of the 11th CCP Central Committee is "Judging Truth on the Basis of Fact with Theory Integrating with Practice." In actual application, however, factions within the party sought to do what they think is right on the basis of their own interests, thus resulting in ideological divergence. For instance, the "reformists" used to stress "reforms, opening and revitalizing" but neglected the "four cardinal principles," while the "conservatives" laid emphasis on the "four cardinal principles" without paying close attention to reforms and open-door policy. And in some places, Teng's ideological line and reform policies ran into mutual confrontation.

(2) In terms of political lines:

The political line adopted by the 3rd Plenum of the 11th CCP Central Committee is to push "four modernizations" which used to be referred as the "greatest politics" by the Tengists. But the Chinese Communists have recently admitted that many

party cadres attach importance to "four modernizations" but neglect their socialist characteristics, and some even distort them, misleading current policy to the capitalist road.

(3) In terms of organizational line:

The organizational line adopted by the 3rd Plenum of the 11th CCP Central Committee is to "build a cadre force" characterized by revolutionary zeal, youthfulness, intellectualism and professionalism. In this connection, the ultimate goal is the establishment of the "3rd tier leadership" for power transition. But the ouster of Hu Yao-pang has disrupted the leadership succession plan. While reviewing its cadre policy, the ruling hierarchy of the regime was reported to have found some flaws in establishing the "three-tier leadership" system. The move has come under fire because the grooming of the 3rd tier cadres smacks of feudalism and sectarianism, and most candidates are chosen from among the offspring of high-ranking cadres. Additionally, the move is likely to bring about factionalism and promote professional cadres without leadership and administrative ability. In view of the above, Vice Chairman Po I-p'o of the Central

Advisory Commission has come up with a proposal to restore the cadre policy of "three-in-one combination of the old, the middle-aged and the young "as practised during the "cultural revolution" period.

2. Corrective measures taken:

(1) "Rectification" education conducted:

To correct the situation, the Chinese Communists have been stepping up ideological education to cadres and masses on party lines adopted since the 3rd Plenum of the 11th CCP Central Committee, urging them to learn a lesson from past experiences and deepen understanding of the two basic points concerning the party lines adopted by the 3rd Plenum of the 11th CCP Central Committee: Persistence in the four cardinal principles and the policy of "reforms, opening and revitalizing."

(2) Seeking to eliminate intervention from the "Leftists" and "Rightists":

Efforts should be made to oppose erroneous tendencies which hamper the policy of "reforms, opening and revitalizing." However, care must be taken that "we should not oppose leftist tendency by holding rightists' point of view; nor should we

oppose rightist tendency by holding leftists' point of view."

(3) Re-studying the "Selected Works of Teng Hsiao-p'ing":

Cadres and masses are asked to join in a massive campaign to re-study the "Selected Works of Teng Hsiao-p'ing," so as to fully recognize the true nature of and harm to be done by bourgeois liberalism, and at the same time unfold a persistent struggle against it.

3. Trend of developments:

In view of the impacts on the party lines adopted since the 3rd Plenum of the 11th CCP Central Committee, Peip'ing's current campaign against bourgeois liberalism represents an intra-party lines and power struggle; and Teng is at his wit's end in his efforts to push the reforms. Since the Chinese Communist Party is to hold its 13th national congress some time in October to discuss the problem of leadership succession, both the "reformists" and the "conservatives" must consolidate their power base to lay ground work. Therefore, pre-congress struggle

and compromise between the two factions are bound to occur. This development should indeed deserve our attention.

CONFIDENTIAL

Reference Data:

1. Front page article by guest commentator, People's Daily, February 22, 1987,

2. Dispatch from the Hsinhua News Agency, February 8, 1987.

DATE: April 8, 1987

SOURCE: Comprehensive Information

SUBJECT: Analysis of Statistical Bulletin on National Economic And Social Development of Chinese Communists in 1986

The Chinese Communists recently published a "Statistical Bulletin" of 1986, which includes two parts, "economic development" and "social development." The following is an analysis of the aspect of policy materialization and the aspect of development results:

1. On policy materialization:

(1) In making the economic development the Chinese Communists follow the principle of "comprehensive balance and proportional development," stressing that it is "the fundamental rule in socialist economic development" and has not changed because of structural reforms. If we analyze the bulletin, it reflects that the arrangement of "comprehensive balance and proportional development" in the "economic and social development plan of 1986" was cracked. Among the many items, some are especially obvious: Food production fell behind the plan; population growth overshot the plan; and agriculture, light industry, and heavy industry did not realize proportional development.

(2) The social development includes science, education, culture, health, physical education, people's livelihood, and population, stressing that it is the fundamental law of socialist economic development to incessantly improve people's material and cultural life on the basis of developing social productivity. The "fundamental rule" stated in the preceding paragraph is subservient to this "fundamental law." If we analyze the bulletin, it reflects that the social development on the mainland, especially people's livelihood, did not develop, in proportion, side by side with "social productivity," indicating that the Chinese Communists still exercise considerable strict control over social consumption. With respect to the social development items enumerated in the plan, although individual categories such as physical education and science made a lot of progress, the majority of categories grew very slowly; some did not even carry out the plan. For instance: In the area of

education, enrollment of graduate students reached only 91.1 percent of the plan target; in the area of health, among the total population of 1.06 billion, only a little over 300 million received inoculation shots.

2. On production results:

(1) Production items:

The production value of the industrial items has exceded the target stipulated in last year's plan. The important indices such as agriculture, energy, and transportation have generally been completed. Only food production fell behind the plan, completing only 97.8 percent while the natural growth rate of population broke the plan target, 10 per thousand, reaching 14.08 per thousand. Food naturally has become insufficient, forming an unfavorable factor in the Chinese Communist economic development.

(2) Investment items:

The bulletin bragged about that the trend of overheating in the growth of fixed capital investments has been under initial control. However, last year for the technological renovation in the industries owned by the whole people, the actual investments, 60 billion JMP, exceded the plan target by 18 billion JMP. Among the investments, non-productive investments totalled over 10 billion JMP, showing that "although investments within the plan was controlled, investments outside the plan were still over-expanded." Their actual function were not great in regulating contradictions in the total supply and demand of the society. For this reason, the Chinese Communists proposed such slogans as "compress the air" and "eat cold rice" in order to reduce the appetite.

3. Summing-up:

(1) The Chinese Communist economy made a certain degree of growth in 1986, but its emphasis on growth was nevertheless inflated. The most obvious point was that the rate of inflation was suspected of being "too low." In publicizing stability, the language bordered on pomposity. On the mainland, there occurred last year rising prices of commodities, affecting people's livelihood, and causing a mentality of social unrest -- this was a commonly

recognized fact.

(2) In the final economic production of last year, speaking of the figures only, it generally completed "the indices of the central plan." However, if we conduct a structural analysis, we can see that among the production, a lot was the result of production from investments outside the plan. When the Chinese Communists calculated the production values, they included the results of this category as part of the performance. But, in reviewing the policy, they listed this as irregularity, stressing that "compress the air" is a must. It clearly shows that the economic performance of last year was not entirely the normal production of policy implementation; naturally this has aided the capitalist liberalization trends. And this is the reason why the Chinese Communists have launched the campaign against bourgeois liberalism.

(3) In the economy of last year, there occurred unstable factors, such as inflation and budget deficits. If we analyze according to the theory of prosperity cycles, it could be the omen of entering a period of recession from a period of prosperity. The Chinese Communists earlier this year launched a campaign of "double increases and double savings," stressing striving in adversity, "building the nation with thrifty," etc. These could be stop gap measures to cope with the situation. The trend of their development merits our attention.

CONFIDENTIAL

DATE: April 8, 1987

SOURCE: Comprehensive Information

SUBJECT: Analysis of Shevardnadze's Visit to 6 Asia-Pacific Nations

Soviet Foreign Minister Shevardnadze began his unprecedented Asia-Pacific tour on March 2, 1987 that took him to visit Thailand, Australia, Indonesia, Laos, Kampuchea and Vietnam in the next 11 days. The following is an analysis thereof:

1. Main points of talks:

(1) He explicitly said that the Soviet troops could be pulled out of Afghanistan within 22 months, but no details were given.

(2) He endorsed the withdrawal of foreign troops from Kampuchea, whose national conciliation, he said, should be left to the Kampucheans to decide. He supported Laos to improve relations with Thailand and the Chinese Communists and assured the host nations that the Soviet Union had no intention to interfere the situation in Kampuchea.

(3) He advocated that South Pacific should become a nuclear-free zone and stressed that the Soviet Union was the first nation to sign the "South Pacific Non-nuclear Zone Treaty."

(4) The Soviet Union would reduce SS-20 medium-range missiles in Asia to 33.

(5) He called for withdrawal of all foreign military bases from South Pacific so as to make the Indian Ocean a peaceful region.

(6) In order to assure peace and stability in Southeast Asia, the Soviet Union would strengthen unity with the three Indo-Chinese states.

2. Significance shown:

(1) In his speech at Vladivostok last July,

Gorbachev announced that his country intended to play an important role in the region. Shevardnadze's trip was obviously aimed at pushing through this policy.

(2) Shevardnadze accompanied Gorbachev to visit India only at the end of last year. His re-appearance in the region coupled with the call for concerted efforts to make the Indian Ocean a peaceful region and the offer to reduce medium-range nuclear missiles in Asia was obviously to assume the host nations about Moscow's peaceful intention so that he could sell the idea of calling the "Asian Security Conference."

(3) Shevardnadze came at a time when most of the Asia-Pacific nations were not happy with the United States for its protectionist trade policy as well as its refusal to sign the "South Pacific Non-nuclear Zone Treaty." Obviously, he wanted to breakthrough the anti-Soviet front led by the United States and retrieve the Soviet isolated position in the region.

(4) Although posing himself like an "envoy of peace" on the trip, Shevardnadze did not make any constructive plans. It would indicate that the Soviet policy toward Asia is still in the experimental stage and that Moscow's immediate objective at the present time is to create a favorable environment for Hanoi to make dialogue with the peripheral nations.

3. Possible consequences:

(1) Although the Soviet military strength in the region has been greatly increased in the past several years, its political and economic influence has not been equally increased. Now, the Soviet Union has launched a more active diplomatic offensive in line with the development of "anti-nuclear movement." This move, it is believed, can help de-escalate the resisting force of the Asia-Pacific nations against it, thus gradually weakening the U.S. influence in the region.

(2) As both the United States and the Soviet Union will shift the centre of their diplomacy to Asia, the Asia-Pacific region is bound to become the major battleground for the superpowers to compete for military supremacy and for Peip'ing and Moscow to strive for the power of influence. All of these activities will make the regional situation even more complicated. The relative development should merit our attention.

CONFIDENTIAL

DATE: April 15, 1987

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Foreigners in Peip'ing Kept Under Strict Surveillance

It is learned that since mainland student demonstrations were launched in December last year which prompted the fall of Hu Yao-pang in January this year, the Chinese Communists have stepped up efforts to keep the foreigners and Western journalists in Peip'ing under surveillance so as to prevent them from contacting the students. The measures taken vary but include increasing military and police personnel, 24-hour duty system, telephone bugging and trailing, etc.

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CONFIDENTIAL

DATE: April 15, 1987

SOURCE: Comprehensive Information

SUBJECT: Characteristics of Fifth Session of Peip'ing's Sixth NPC

The Fifth Session of Peip'ing's Sixth National People's Congress (NPC) was held from March 25 to April 11. This was the first important meeting since the fall of Hu Yao-pang last January, which brought changes to the Chinese Communists. The following is a comprehensive analysis:

1. Characteristics of the meeting:

(1) Potential divergences exist in the compromise of the two factions:

The meeting affirmed the work performance of the "State Council" led by Chao Tzu-yang, but it also exposed certain divergences in the compromise. For instance, Teng and Chao reiterated "the reform of political structure," while P'eng Chen and company stressed the struggle against bourgeois liberalism and the three-in-one coalition of the old, the mid-aged, and the young. On the question of handling Hu Yao-pang, Chao hinted that "for the one who individually and stubbornly insists on bourgeois liberalism, even being relieved of the leadership post, should be given a job." However, P'eng Chen, on the other hand, attacked Hu, accusing him of "failing to insist on the four cardinal principles from the start to the end and violating the principle of collective leadership." All these were clear evidences.

(2) For external consumption, a false image of "stability and solidarity" was artfully concocted:

During the period of the meeting of the NPC, the Chinese Communists deliberately and artfully designed and held a number of press conferences and seminars, hosted by Chao Tzu-yang, P'eng Chen, Li P'eng, T'ien Chi-yun, Yao Yi-lin, and Ch'ien Ch'i-ch'en and answered press queries. All of them stressed that the reform and open-door policy would not change and that the

struggle against bourgeois liberalism would not be expanded, obviously attempting to eradicate the doubts of the people at home and abroad about it. However, in his interview with the journalists from Hongkong and Macao, although P'eng Chen claimed that within the party there is no such thing as "the reformist faction and the conservative faction," he nonetheless attacked Hu severely for his style of "failing to uphold the four cardinal principles and violating collective leadership," indicating that the internal contradictions and confrontations are still serious.

(3) The allocation of power remains to be negotiated and compromised:

The meeting did not handle the issue of two posts held by Chao Tzu-yang, "premier of the state" and "acting general secretary of the party." It said that this issue would be decided during the "13th Party Congress." This shows that the distribution of the leadership power has not reached compromise. However, as the meeting appointed Wang Fang (formerly Commissioner of Public Security of Chekiang Province, and a cadre of the P'eng Chen politic-judicial clique) as Minister for Public Security, and appointed Li T'ieh-ying (an engineer who studied in Czechoslovakia in the '50s and who is a son of Li Wei-han, formerly Director of the United Front Department). This is sufficient to reflect that the influence of the old cadres has gained further expansion.

2. Policy trends:

The meeting reiterated two fundamental points of its policy. One is to uphold the four cardinal principles; while the other is to insist on the reform and open-door policy. Concretely, it may be summed up as follows:

(1) On political thinking:

From now on, as a result of the long-period struggle against bourgeois liberalism, the Chinese Communists will launch an anti-rightist campaign, instead of a campaign to guard against leftism with a view to giving a check on the pollution of Western freedom and democracy in

order to maintain the survival of the regime.

(2) On the economy:

Stressing to "step up in agricultural production," cut down expenses, streamline infrastructure construction, and effectively utilize foreign capital under the principle of "step-up in production, practice of thrift, enhancement of national income, and restrenchment of expenses," in order to tackle the problems resulting from the reforms.

(3) On the united front:

Utilizing the "Macao agreement" to publicize, on a even larger scale, the theory of "one state with two systems," reiterating the cliche of "peaceful re-unification," and deliberately highlighting the united front moves for the overseas Chinese, enticing them to serve Pei-p'ing's interests.

(4) On foreign policy:

Although the Chinese Communists have stated that their foreign policy remains unchanged, right now in reality the regime stresses its activities in Eastern Europe and the Third World countries. These serve to show that Peip'ing tends to develop fully its relations with both Eastern and Western countries. Politically, its standpoint will still be the socialist camp.

3. Summing-up:

In this meeting, the Chinese Communists in order to eradicate the political shock caused by the fall of Hu Yao-pang, deliberately created the impression of "stability and solidarity," so as to pacify the people and clarify doubts abroad. Nevertheless, one can see that within the party there still exist divergences of power and policy, whose developments merit our continued observation.

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DATE: April 15, 1987

SOURCE: Comprehensive Information

SUBJECT: On Peip'ing-Moscow 10th Round of Normalization Talks

The Chinese Communist and Soviet negotiators Ch'ien Ch'i-ch'en and Igor Rocachev met in Moscow on April 14 for a 10th round of normalization talks. Detials are analyzed below:

1. Major items on the agenda:

As a rule the normalization talks between the Chinese Communists and the Soviet Union are held behind closed doors and end only with a short press communique. However, in view of their relation development and recent dialogue, the on-going normalization talks may be centered on the following:

(1) Seeking continued cooperation in trade and economic areas:

Peip'ing's Vice Premier Li P'eng is scheduled to visit Moscow in May as head of the delegation attending the "2nd Meeting on Joint Technological, Trade and Economic Cooperation." Li's forthcoming visit to the Soviet Union is likely to touch upon the normalization issue with Kremlin leadership in addition to reviewing economic, trade and technological cooperation.

(2) Seeking partial removal of obstacles:

Instead of refusing and dodging discussions on how to remove them, the Soviet Union has now agreed to discuss the "three obstacles" which the Chinese Communists say are blocking their better ties. On the other hand, the Peip'ing regime has recently stressed the need of "mutual understanding, mutual concession and mutual benefit" for the sake of good neighbourhood. This indicates that both sides may hold discussions on regional issues, border problems and confidence-building measures.

(3) Exchanging views on domestic and international situation:

Both sides are expected to make known their own political and economic situation, and express their position in dealing with major international issues. Soviet leader Mikhail Gorbachev has been proceeding with the holding of "Asian Security Conference" and "Asian Communist Party Conference" since he delivered his foreign policy speech in Vladivostok. Gorbachev's proposal is likely to be brought up for discussion by the Soviets.

2. Problems reflected:

(1) "Three obstacles" to remain unsettled:

Although the Soviet Union has staged partial troop withdrawal from Afghanistan and Mongolia, it represents only a minor pullout so far as the Chinese Communist demand is concerned. With regard to the Kampuchean issue, the Soviets only expressed their desire to discuss the situation in Indo-China, giving no timetable for Vietnamese pullout. In view of the above, Moscow showed no concrete deeds in removing the "three obstacles" despite the change of their position.

(2) Contradictions seen in foreign policies:

To both Peip'ing and Moscow, fence-mending efforts are of mutual benefit; particularly in economic and trade areas, greater progress has been made. However, contradictions exist in the strategic interests of both sides. For instance, the Chinese Communists used to treat very cautiously by distancing themselves from the United States and the Soviet Union lest it should cause suspicion and worry on the part of the America and the U.S. allies. On the other hand, both Peip'ing and Moscow are trying to maintain regional dominance by seeking association with more allies.

3. Trend of development:

(1) Some concrete agreement on economic, trade, technological cooperation between both sides could be reached, thereby bringing about a continued betterment of substantial relations.

(2) During the on-going normalization talks, both sides are expected to reach initial agreement on Li P'eng's visit to Moscow in May and the border talks to be held in Agusut in Peip'ing.

(3) Both sides may further exchange views on internal issues and regional problems in Asia. Through mutual concession, friction and confrontation may be reduced to some extent though complete consensus can not be reached between them.

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CONFIDENTIAL

DATE: April 15, 1987

EVALUATION: A - 1

SOURCE: Documentary Information

SUBJECT: Cuba's NPC Delegation Visited Peip'ing

Cuba's "National People's Congress" delegation led by its President Flaveo Bravo arrived in Peip'ing on April 7, 1987 for a one-week visit during which they called on Chinese Communist leaders including P'eng Chen, Ulanfu and T'ien Chi-yun, and both sides expressed willingness to further develop the relations in the fields of culture, health, trade, science and technology so as to consolidate their traditional friendship.

Notes:

1. Cuba has never sent any delegation to the Chinese mainland with a view to "normalizing the relations" since Peip'ing-Moscow split in the 60s. This visit may be taken as a first step toward this goal.

2. It would be appreciated if you could provide us with your comment on this subject.

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CONFIDENTIAL

DATE: April 2, 1987

EVALUATION: A - 1

SOURCE: Documentary Information

SUBJECT: Chao Tzu-yang Outlines Main Goals of Economic Reforms for 1987

At the 5th session of the 6th National People's Congress on March 25, Peip'ing's Premier Chao Tzu-yang laid out six main goals of economic reforms for 1987. Details follow:

1. Deepening enterprise reforms by creating a "responsibility-right combination system," through which enterprises may be operated in various forms by separating ownership and the right of operations so as to revitalize the enterprise.

2. Making continued efforts to promote lateral economic ties among enterprises by encouraging establishment of enterprise groups by having the following taken into consideration:

(1) To guard against the possibility of turning enterprise groups into administrative business groups;

(2) To avoid monopoly in similar trade;

(3) To be free from bureaucratic interference; and

(4) To promote close coordination between scientific research and production.

3. Deepening reforms of financial system and making good use of various kind of social funds by further strengthening and improving the maximum control of the central bank. In this connection, efforts must be made to update the management of banking institutions below provincial level and insurance companies, restructure interest rate,

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improve the management of circulating funds, exercise centralized control over foreign exchanges and debts, and strengthen the function of money market.

4. Expanding the market for means of production including steel, coal, cement and timber on the basis of a unified selling price and gradual liberalization.

5. Applying contract system under which state enterprises and workers sign contracts with each other that spell out the duties, responsibilities, rights and other terms for both sides. This means that from now on, all workers at state-run enterprises will be placed under the contract system.

6. Modifying regulations governing investment in fixed asset by further promoting and perfecting various forms of full contract system. In this connection, enterprises will be endowed with more decision-making power and also more responsibility for using the power properly. Also, enterprises should be entirely responsible for their own profits and losses.

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DATE: April 22, 1987

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Party Rectification in Rural Areas on Chinese Mainland Said to Have Been Basically Wound Up

The party rectification at the village level on the Chinese mainland that began in 1986 and involved close to a million party branches and twenty million party members was basically wound up in nearly all the areas where it was practised, declared recently by the Chinese Communists. Particulars:

1. Important measures:

(1) Somewhere between May and June 1986 the Central Steering Committee convened a conference on party rectification attended by secretaries of all provincial party committees, the purposes of which were to make concrete arrangements for party rectification at the village level, affirm the notion that party rectification in rural areas was a measure to promote reform and economic development, and accentuate the need to tackle the serious problems of power abuse for selfish ends and other illegalities common among party cadres at the three levels of district, township and village.

(2) After the unfolding of countrywide party rectification at the village level in October 1986, party committees in the provinces, municipalities, counties and villages dispatched more than 630,000 of their staffers to help with party rectification at the basic level as lecturers and contacts.

2. Concrete results:

(1) Party morale, folkways and village ethos had changed for the better and, with more strict party discipline, more homogeneous party organization, more congenial relationship between the party and the people and better education for party members, bunches of cadres had seen their own salvation.

(2) Leading groups at various levels that were

originally paralysed or semi-paralysed had shown marked changes and become better "combat" forces.

(3) Tens or even hundreds of millions of communist dollars had been retrieved from a small number of corrupt cadres who over the years had appropriated or long delayed the repayment of public funds.

3. Problems still unresolved:

About five percent of the working teams engaged in party rectification at the village level failed to produce satisfactory results and some of them even went about their business superficially or cursorily; there were also many "old dilemmas" and in villages where such dilemmas existed villagers had quite a few disparate views about the party rectification going on there.

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CONFIDENTIAL

DATE: April 11, 1987

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Remarks on Factions Made by P'eng Chen

P'eng Chen, chairman of the standing committee of Peip'ing's National People's Congress, on April 8 lashed out at foreigners who divide the CCP into the "reformist faction" and the "conservative faction," saying that the majority of them have a misunderstanding while the others have ulterior motives. He added:

1. In the CCP there is no such thing as the reformist faction or the conservative faction. In reality, there is one and only Marxist faction. Comrade Teng Hsiao-p'ing once said, "speaking of the reformist faction, I am a reformist. If upholding the four cardinal principles means a conservative faction, then I am also a conservative. To be precise, I am a pragmatist." This was well said.

2. I am for the three-in-one combination of the old, the middle-aged and the young in the leadership. The old comrades have a lot of experiences to pass on, give help and set an example in training new hands. Thus, the transfer of power will be smooth, and the nation will be relatively stable.

Note:

Po I-p'o, Vice Chairman of the CCP Central Advisory Commission, on an inspection trip to T'ientsin last February, mentioned that the cadre policy should adopt the principle of the three-in-one combination of the old, the middle-aged and the young. Now P'eng Chen concurred with Po's view. It looks like that this is paving the way for old cadres to keep their power base during the 13th Party Congress.

CONFIDENTIAL

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DATE: June 10, 1986

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Relations Between Chinese Communists and East Germany May Be Greatly Improved

The relations between the Chinese Communists and East Germany, forzen almost for 20 years, have been seen fastly improving ever since they reopened their talks in 1982. However, their normalized relations are still limited to the "government to government" level at the present time. According to speculations, the East German chief Honecker may make a visit to Peip'ing. If so, their relations could be elevated to the "party to party" level by then.

While making mention of East Germany's relations with the Chinese Communists at the party congress held in April this year (1986), Honecker indicated for the first time that if the two regimes work in close cooperation, it would help bring about world peace and security.

CONFIDENTIAL

CONFIDENTIAL

DATE: August 2, 1986

EVALUATION: B - 2

SOURCE: Comprehensive Information

SUBJECT: Chinese Communist Deficit in Foreign Trade for First Half of 1986 Grows Larger

For a long time, the Chinese Communist foreign trade has been a losing game. In 1984, the trade deficit was US$1.09 billion and in 1985 the deficit rose to US$7.61 billion. Recently Peip'ing's Ministry of Foreign Economic Trade and its customs disclosed respectively the regime's foreign-trade record for the first half of 1986. Though the figures published by the two agencies were different, deficit continued to appear. Specifics are as follows:

1. As disclosed by the Ministry of Foreign Economic Trade on July 16, the gross value of the regime's imports and exports in the first half of 1986 was US$26.82 billion, up by 4.43 percent as compared with the same period of 1985. Of the sum mentioned above, US$12.8 billion was in exports, up by 13.7 percent, and US$14.02 billion was in imports, down by 2.7 percent. The trade deficit was US$1.22 billion. Among the export items, owing to the sharp slump in oil prices on the international market, Peip'ing's exported oil earned much less foreign exchange than it used to, while others, notably edible oil, foods, textiles, meat products, handicraft products, metals and minerals and mechanical equipment, showed considerable increase in volume. On the import side, whole sets of equipment embodying new technologies, machinery and instruments, steel products, foods and chemical industrial raw materials had increased in general, while copper, aluminum, chemical fertilizers, insecticide for use on farms, granulated sugar and home appliances had noticeably decreased.

2. According to the statistical report published by the Customs on July 18, the gross value of the regime's imports and exports for the first half of 1986 was US$33.43 billion, up by 10.9 percent as compared with the same period of 1985; the exports were valued at US$13.53 billion and the imports, US$19.9 billion, showing an increase rate respectively of 14.4 percent and 8.6 percent. The trade deficit was as high as US$6.37 billion.

Note:

There is a wide gap between the figures published respectively by the two agencies. The Ministry of Foreign Economic Trade argued that its figures were pegged only to statistics covering goods already accepted by the buyer, while the Customs' statistics covered imports and exports flowing through all channels, such as imported and exported materials to be processed or assembled, free aid materials and imported donations, and that was why there was difference in the two kinds of statistical figures.

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EXCHANGE OF INFORMATION
CONTENTS

May 1987

CONFIDENTIAL

DATE: May 18, 1987

EVALUATION: A - 2

SOURCE: Intelligence Report

SUBJECT: CCP's Chungfa Paper No. 8 Throws More Stones at Hu Yao-pang

The CCP's central authority has issued its in-house Chungfa Paper No. 8 as a supplement to Chungfa Paper No. 3 to reaffirm Hu Yao-pang's "six enormities." The document was transmitted only to the provinces and armies, but in certain special regions it was also transmitted to the municipalities and divisions.

The No. 8 document is basically a combination of three attachments. The first attachment points out the errors Hu had committed with respect to "the insistence on the four cardinal principles and the drive against bourgeois liberalism" and the period referred to was from 1982 when Teng Hsiao-p'ing first came up with his notion of the insistence on the four cardinal principles to September 1986 when the Chinese Communist Party met at the sixth plenary session of its 12th Central Committee. The glaring errors committed by Hu, according to the attachment, were these: He called an improper conference of theorists; he obstructed the critique of Pai Hua for his work The Sun and the Man (later adapted to become the film Bitter Love) and extended protection to Pai; he called the fourth congress of the members of the Chinese Writers' Association in which he underlined the importance of according writers freedom of creativity; and he tried at the sixth plenary session of the 12th Central Committee to persuade senior communists to take a back seat and thus caused their bad feelings toward the party.

The second attachment accuses Hu of taking his stand only against the left instead of against the right, too, and of clamping down on the drive to root out "spiritual pollution." Facts in support of such accusations: Wang Ruo-wang told a lot of lies about Teng Hsiao-p'ing and Chao Tzu-yang; Yu Kwang-yuan pointed out that some people "looked to money and proceeded to look farther;" Wu Kuang-tzu remarked at a gathering of the writers belonging to the Chinese Writers' Association held from the end of 1984

to the start of 1985, "The anti-spiritual pollution movement is a piece of senseless foolery meant to make the country topsy-turvy. You have put to shame our country and our party. You are foolish as hell;" all such expressions of open rebellion Hu tolerated and he was even treated by some liberal-minded writers as their "bosom friend." Furthermore, the fourth congress of the Chinese Writers' Association was originally intended as a gathering with an anti-rightist theme, yet when Hu Ch'i-li deputized for Hu Yao-pang and spoke on the occasion the anti-rightist theme was shunted aside, and there ensued a confusion of thoughts among circles of the literary art and many of the leftist "comrades" in such circles became losers in elections for the board of directors, the chairmanship and deputy chairmanship, of the Association; Hsia Yen even praised the congress as a success and called it "a Chun Yi conference of writers."

The third attachment is a verbal attack on Hu for his ill-considered pronouncements (termed "serious") when he granted an interview to a journalist in Hongkong (Lu K'eng, Publisher of The Commoners). The attachment uses sharp words to paint this journalist in the first part of the accusation and quotes Hu as saying, "We feel sorry for you. We owe you a debt." The second part says that the journalist buttered Hu up with the intention to set a trap and Hu was unwittingly entrapped. The third part says that the journalist offered to build up Hu's prestige and authority and Hu, instead of rejecting the offer, took gleeful pride in it. The fourth part says that the journalist persuaded Hu to supercede Teng Hsiao-p'ing as Chairman of the Central Military Commission at an earlier date and Hu did not say no forthright to the suggestion. The fifth part accuses Hu of permitting the journalist to fling arrows at random at quite a few "comrades" in the Polibturo and the Secretariat (Ch'en Yun, Hu Ch'iao-mu, Li Te-sheng, etc.)

Note:

The document mentioned above indicates that the conservatives are adding fuel to their struggle against the reformists, creating necessary conditions in their favor prior to the 13th Party Congress, cleaning away obstacles formed by the reformists and going one step further to hit a blow at Hu Yao-pang. With such objectives in view, the conservatives ran at the fastest speed to prepare the third edition of the enlarged version of Teng Hsiao-p'ing's "Building Socialism with Chinese Characteristics" and got it published on March 14. The enlarged version includes 22 new speeches by Teng made public during the period December 1984 to

January 1987 and the last of the 22 is a speech at a reception for Zimbabwe's Prime Minister Robert Mugabe in which Hu was blamed for his ineffectual efforts to oppose bourgeois liberalism and for his serious errors in this matter. An intelligence report points out that Teng Hsiao-p'ing's turning against Hu is a manifestation of his outrage at Hu's aspiration to supercede him ahead of schedule and is also an act of self-protection by shifting the responsibility of blame. One should not, however, ignore the fact that Hu still has influence in the party: a number of provincial and municipal party committees bluntly expressed that they did not understand why Hu was forced to resign and some members of the party's advisory commission in Yunnan, such as Liu Ming-hui and Sun Yu-t'ing, even refused to participate in the enlarged conference called on January 19 by the Yunnan Provincial Party Committee. To all appearances, this kind of infighting in the CCP still sees no end in sight.

CONFIDENTIAL

DATE: May 27, 1987

EVALUATION: A - 2

SOURCE: Documentary Information

SUBJECT: Chao Tzu-yang on How to Set Right Misdirected Course Of Drive Against Bourgeois Liberalism

According to the May 18 issue of the Hongkong-based Wen Hui Pao, at a recent conference CCP's Acting General Secretary Chao Tzu-yang touched on how to set right the misdirected course of the drive to oppose bourgeois liberalism. Essentials of Chao's remarks are as follows:

1. Charges against the misdirected drive:

(1) "There are people who tend to pit the four cardinal principles against the policy advocating openness to the West, reform and revival of the economy; consequently, the moment they hear the mention of the policy they jump to the conclusion that those who mention it want to negate party leadership and have no objection to bourgeois liberalism."

(2) "There are people who blame all problems cropping up in the course of our economic development on the reform measures and even use the word 'capitalism' to describe such policies as regard shares, contracts and rentals. There are even people who wonder why one who talks about capitalism gets flayed while one who practises capitalism goes scot-free and opine that those who practise capitalism should get flayed, too."

(3) "There are people who think that China used to lean all the way East (toward the Soviet Union) and now it is tilting all the way to the West (to Western capitalism)."

2. Demands:

The struggle against bourgeois liberalism must be made more thorough, but thoroughness does not mean to mount movements, subject everyone to examination and create tension in the political climate. Everyone should comprehend Teng Hsiao-p'ing's thoughts in the right way and should boost the economy

and production so as to give concrete expression to the superiority of socialism.

Note:

The May 21 issue of the People's Daily editorialized by quoting Teng as saying that "the commotion last year should by no means affect the reform measures and the policy to keep the doors open to the West and such measures and policy should not only be insisted on but should also be sped up."

CONFIDENTIAL

DATE: May 27, 1987

EVALUATION: B - 2

SOURCE: Comprehensive Information

SUBJECT: Red Flag's Managing Editor: Liberalistic Thoughts On Chinese Mainland Assuming Systematic Forms

Hsiung Fu, Managing Editor of the Red Flag Magazine, recently called attention to the fact that the currents of liberalistic thoughts on the mainland, after close to eight years of undulating growth, are now reaching their climax and assuming fairly systematic theoretical forms. Specifics:

1. Core of theories:

All theories concentrate on the negation of the four cardinal principles and cover areas political, economic, ideological and cultural.

2. Concrete expressions:

(1) In the negation of the socialist road, there are the "supra-class theory," "supplementary lessons in capitalism" and "pseudo-socialism" -- all forms of thoughts contrary to the communist ideology.

(2) In the negation of "the people's democratic dictatorship," there are calls for "absolute democracy and absolute freedom" and voices favoring "political check and balance" (pluralistic party systems and separation of the legislative, executive and the judicial functions of a government) -- all forms of thoughts in opposition to Communism.

(3) In the negation of party leadership, there are the "theory of metamorphosis" and "the argument against party leadership" -- demands that the one-party authoritarian rule be terminated.

(4) In the negation of Marxism, there are arguments accusing Marxism of being outmoded and ossified and the

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argument in favor of "pluralistic truth" -- attempts to challenge the myth of Marxism-Leninism.

(5) There are also a series of anti-Marxist-Leninist viewpoints appearing in the political science, economics, history, literary art and ethics.

CONFIDENTIAL

DATE: May 20, 1987

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Second Meeting of Committee on Trade, Economic and Technological Cooperation Between Chinese Communists And Soviet Union

The second meeting of the Committee on Trade, Economic and Technological Cooperation between the Chinese Communists and the Soviet Union was held on May 12-13 in Moscow. Related details:

1. The Soviet delegation was headed by Nikolai Talyzin, alternate member of the Politburo and First Premier, and the Chinese Communist delegation by Vice Premier Yao Yi-lin.

2. Soviet Premier Nikolai Ryzhkov and Vice Premier Yao Yi-lin held talks on May 13 in which they discussed the possibility of the development of mutually beneficial cooperation, the establishment of joint ventures and Soviet agencies' participation in industrial reconstruction on the Chinese mainland. Both sides said that since there is great potential for the two regimes to develop their economic and technological cooperation the committee should make the best of this potential. Ryzhkov also underlined that the chief aim of the Soviet foreign policy is to solve the problem of arms reduction, ease tensions and ensure peace.

3. Concrete outcome of the meeting:

(1) The signing of the agreement on the outcome of the meeting.

(2) Both sides reported on the execution of their respective socio-economic development plans and supported more exchanges of their experiences in socialist buildup. They also pointed out that after the first meeting of the committee in March 1986 in Peip'ing, the two sides' efforts to promote their cooperation had shown marked progress.

(3) The committee pointed out that the two

sides' border trade had been on the increase and discussed how to devise concrete means to expand further bilateral trade. The two sides exchange constructive views as to how to strengthen their economic cooperation and the Soviet side agreed to offer assistance to the Chinese Communist regime's effort to build up its enterprises. The committee also decided to formulate new plans to carry on the two sides' trade and economic cooperation.

(4) The two sides said that their long-term technological cooperation had been steadily progressing.

(5) Both sides discussed the prospects of the expansion of educational and other exchanges.

(6) The committee decided that two standing operation teams would be created to take care of affairs relating to energy cooperation and the exchanges and cooperation between the two sides' State Planning Commissions.

CONFIDENTIAL

DATE: May 20, 1987

EVALUATION: C - 3

SOURCE: Documentary Information

SUBJECT: USSR Steps Up Military Support and Buildup in Indochina

According to official sources from Thailand, the Soviet Union has recently stepped up its efforts to increase military support and buildup in Indochina. Details follow:

1. During the period between 1982 and 1986, Soviet military aid extended to the three Indochinese states has amounted to a total of US$8.8 billion, which breaks down below:

(1) Vietnam:

Year	Value of Soviet Military Aid
1982	US$1.4 billion
1983	US$1.45 billion
1984	US$1.4 billion
1985	US$1.65 billion
1986	US$1.5 billion

Total Value: US$7.4 billion

(2) Laos:

Year	Value of Soviet Military Aid
1982	US$ 0.1 billion
1983	US$0.15 billion
1984	US$0.1 billion
1985	US$0.05 billion
1986	US$0.05 billion

Total Value: US$0.45 billion

(3) Kampuchea:

Year	Value of Soviet Military Aid
1982	US$0.05 billion
1983	US$0.15 billion
1984	US$0.2 billion
1985	US$0.35 billion
1986	US$0.2 billion

Total Value: US$0.95 billion

2. Current status of Kompong Som port:

(1) The port gives access to Soviet vessels unloading 105mm howitzers, trucks and other weaponry for Vietnam-backed Heng Samrin regime.

(2) About 50 Soviet ships came to anchor at Kompong Som in 1985 and 26 visited the port in 1986. At present, a technical aid team from the Soviet Union is stationed in the port to help with port operations.

3. Current status of Cam Ranh Bay:

(1) About seven to eight Soviet warships cast anchor at Cam Ranh Bay daily and about 25-30 Soviet naval vessels (including helicopter carrier Minsk) use the port as supply base every month.

(2) The Soviets have constructed at the Bay seven floating piers which can facilitate the deployment of 16 TU-16 bombers, 3 TU-95 reconnaissance aircraft, 3 TU-142s and 14 MiG-23 jet fighters.

CONFIDENTIAL

DATE: May 18, 1987

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Chilean President Talking About Santiago's Relations With Washington, Moscow and Peip'ing

1. On the Chilean foreign relations President Pinochet of Chile made the following comments recently:

(1) The relations between Chile and the United States are quite normal. However, Santiago would not accept any unfavorable words of deeds of Washington.

(2) While visiting South America in this June, Gorbachev would not visit Chile, nor would Chile be interested in receiving him.

(3) Chile would take a cautious attitude toward the Chinese Communists even the trade of both sides had increased.

2. It would be greatly appreciated if you could provide us with your comments and supplementary information on this subject.

CONFIDENTIAL

DATE: May 20, 1987

SOURCE: Comprehensive Information

SUBJECT: Analysis of PLA's Basic-level Political Work Conference

1. Proceedings of the conference:

(1) The conference was held May 5-15 in Peip'ing and jointly chaired by Yang Shang-k'un, Vice Chairman of the Central Military Commission, and Yu Ch'iu-li, Director of the General Political Department. Representatives of major troop units and military chiefs in charge of political work were all present at the conference. The occasion was unmistakably the outcome of a military mobilization to get to grips with basic-level political work.

(2) The mission of the conference was to act out the decisions made at the Central Military Commission's enlarged meeting on the PLA's political work "in the new era" and also the instructions on how to get to grips with basic-level buildup. The participants, apart from listening to the reports made by Yang and Yu, were also asked to give "typical" briefings, engage in team discussions, exchange experiences and review what had gone amiss. The 10-day affair reflects how the PLA had dedicated themselves to the work, how they had carefully planned it and how practical-minded they had been.

(3) Yang Shang-k'un reiterated the demands from the Central Military Commission:

The People's Liberation Army should make more penetrating efforts to "insist on the four cardinal principles and carry on positive education in how to fight bourgeois liberalism," "build a firm revolutionary philosophy of life, entrench partisanship and enhance management," and, above all, urge the ranks of cadres to set an example to others. Yu Ch'iu-li, in his turn to speak, put special emphasis on the need to establish exemplary party branches in the companies and asked all those concerned to instil revolutionary theories into cadres and warriors "without fear and with confidence." What Yang and Yu did is obviously an attempt to make the party more functional in its role as a controller of the Army.

(4) After discussions, the conference revised a number of documents such as the "Outline of the Reconstruction of Party Branches among the Companies in the New Era," "Outline of the Political Education for the Rank and File," "Directives Concerning How to Reconstruct Party Branches at the Basic Regimental Level" and "Provisional Rules Governing the Work of the Soldiers' Committees among the Companies." All the revised documents would be submitted to the Central Military Commission, which would publish them and make them legally binding.

2. Problems reflected:

(1) So far as its functions are concerned, the conference was one held to carry out the resolution passed at the 6th plenary session of the 12th Central Committee. This plenary session was held in September 1986, out of which came the resolution concerning the guidelines on the buildup of socialist spiritual civilization. The resolution specifically provides that the Central Military Commission make arrangements in accordance with the spirit of the resolution and special features of the Army. Anti-bourgeois liberalism was the focus of the conference, and all demands for the improvement of party branches, the improvement of the work procedure and the revision of related rules and regulations were really things done to honor the resolution passed at the said plenary session.

(2) So far as the priorities are concerned, the conference hinted at many a problem in the military. There were in the military, ideologically, individualists; organizationally, liberalists; in personnel matters, bureaucrats in the worst sense of the word; and in management matters, "military lords." The fight between new cadres with "academic backgrounds" and senior cadres who owed their rise to the "revolution" and the defiance shown by recruits better schooled to the old formula of discipline favored by basic-level cadres were in particular worrisome problems. Other problems common among the military included the abuse of power for selfish ends, desertion with lifted arms, violent insubordination, thievery and sale of ammunition, neglect of duty and other illegalities.

3. Summing-up:

According to the Chinese Communists, bourgeois liberalism is a negation of the socialist system and a championing

of the capitalist system. What they fail to see is that, bourgeois liberalism being a spontaneous social change on the mainland, the Army is naturally not immune to it. The Central Military Commission and the General Political Department called in the nick of time a conference for the planning of work to countercheck the tendency because they were still infatuated with the notion that "political work is the life-line of all kinds of work" and hoped to use party branches among the companies as fortifications to control the basic military units. Little did they realize that the things they did were already dated.

DATE: May 27, 1987

SOURCE: Comprehensive Information

SUBJECT: Analytical Study of Kim Il Sung's Recent Visit To Peip'ing

North Korean President Kim Il Sung accompanied by Vice President Lee Chong-ock, Foreign Minister Kim Young-nam and other high-ranking government officials went to visit Pei-p'ing on May 21 this year. As it was his first formal visit in the last five years, it had attracted world attention. The following is an analysis thereof:

1. Main purposes:

(1) Kim made this trip in order to return Chinese Communist "State President" Li Hsien-nien's last visit to Pyongyang in October 1986, bring to an end the rumor that Peip'ing and Pyongyang were at loggerheads and keep an equi-distant relationship with both Peip'ing and Moscow so that North Korea can get help from both sides.

(2) Kim wanted to know Peip'ing's internal and external policy trends in the wake of Hu Yao-pang's downfall, particularly the latest development of relations between the Chinese Communists and the United States, Japan and South Korea so that he could proceed with appropriate dialogue.

(3) Kim would like to ask Peip'ing to convey his ideas relative to the "tripartite talks" and the joint sponsoring of the 1988 Olympic Games with South Korea.

(4) Kim would like to learn from Peip'ing's experience in the "open door" policy and expect the regime to provide necessary economic aid for Pyongyang to accelerate the third seven-year economic plan and attain the objectivies of its "independent economic development."

2. Reflecting problems:

(1) Both Peip'ing and Pyongyang played up Kim's visit through public media, reflecting that the two

sides attached importance to this visit and wanted to paint a better off image of their relations.

(2) Kim's visit was made at a time when the United States had just announced to broaden its contact with North Korea and called for restoration of dialogues between the Seoul and Pyongyang, indicating that Peip'ing's role on the question of Korean Peninsula is still important.

3. Possible consequences:

(1) Kim's visit to Peip'ing will help stabilize the situation on the Korean Peninsula as the present bilateral or multilateral relations between North Korea and South Korea and the United States, the Chinese Communists and the Soviet Union are more or less affected by Peip'ing-Moscow's current call for a "peaceful international environment." They all want to take a temporary respite and seek internal stability before they begin to make a long-range race.

(2) Inspite of the common expectation of the restoration of dialogues between the two Koreas and their joint participation in the 1988 Olympic Games, North Korea would still like to seize every good opportunities to create problems and harass the countries concerned in order to reap better results.

(3) In order to increase its influence on Pyongyang, Peip'ing will continue to provide North Korea with the economic, scientific and technological aid, which should merit our attention.

CONFIDENTIAL

DATE: May 20, 1987

SOURCE: Comprehensive Information

SUBJECT: National Situation After Philippine Parliamentary Elections

Elections for members of the Philippine Senate and House of Representatives were held on May 11 in a largely peaceful atmosphere. The elections were the first parliamentary ones since the approval on February 2 of the new Constitution and the outcome will surely have a stabilizing effect on the future development of the Philippine situation. The following is a pertinent analysis:

1. Relevant circumstances:

(1) The landslide victory won by the ruling party:

Though up to date the work of ballot counting is not finished, unofficial estimates say that the League of the Ruling Party recommended by Mrs. Aquino has won an overwhelming victory in both the Senate and the House of Representatives, winning 23 out of the 24 seats in the Senate and more than two-thirds of the 200 seats in the House of Representatives. The rightist Democratic League led by former defense minister Enrille and Enrille himself have both lost out and they are expected to win only one seat in the Senate.

(2) Mass demonstrations staged by the Opposition:

Enrille and rightist influences associated with him fiercely attacked the recent elections, instigated over ten thousand people to protest the elections, and said that the elections were rigged; they demanded the ouster of Mrs. Aquino, attempt to obstruct the establishment of the new parliament and made trouble to embarrass the government. Chief of Staff Fidel Ramos has ordered the armed forces to be on full alert and forbidden the military to join the rightists in demonstrations and related gatherings.

2. Future trend:

(1) The present regime becoming more and more entrenched:

The plebiscite held on February 2 to test the validity of the new Constitution showed that the Filipinos are in support of the Constitution, which in turn affirms the legitimacy and stability of the Aquino regime. That the League of the Ruling Party recommended by Mrs. Aquino has also won a victory in the parliamentary elections simply bespeaks the rising prestige of Mrs. Aquino herself. After long years of turmoils, Filipinos all hanker as one a peaceful environment in which the economy can be revived; the mentality of the Filipinos at large will be a favorable factor contributing to the stability of the Aquino regime.

(2) Breakers ahead:

In the latest parliamentary elections, supporters and non-supporters of the government in the military were fifty-fifty in number -- a fact showing that the conservative forces in the military are still deep-rooted; the previous rift between the military and civilian cabinet members over the policy to snuff out the communists, it should be recalled, had led to frequent uprisings staged by youthful soldiers against the government. Thus the attitude of the Philippine military in the future bears greatly on the political stability of the Philippines. Furthermore, the Philippine communists have never relinquinshed their ambition to seize political power and the problem of self-government by Moslems in the south is still left unresolved. All these are problems that cause headache to Mrs. Aquino.

3. Potential effects:

(1) The interaction of political and economic developments:

Political stability and economic revival are complementary. The political prospects of the Philippines will largely depend on one thing: Will the Philippine government's economic reconstruction projects and land reform plans be smoothly carried on without the interference by the vested interests groups?

(2) The escalating influence of rivalling

superpowers:

The Soviet Union has long hoped to play an influencial part in the Philippines. Since Gorbachev brought forth his new Asian policy in Vladivostok in 1986 the Soviets have conspicuously accelerated their activities in and around the Philippines. Though the United States has urged Mrs. Acuino (in strong terms) to adopt a tougher policy to deal with the communists, yet its slow economic recovery and reduced financing for foreign aid have made itself hand-tied to increase its military aid to the Philippines; on the other hand, on the plea that it is conducting a pluralistic foreign policy, the Philippine government is bringing in the Soviet influence as a warning to the United States for its reluctance to give the Philippines more military aid. Predicably, the U.S. and the Soviet races to win over the Philippines will grow more fierce and more convoluted in the future.

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CONFIDENTIAL

EXCHANGE OF INFORMATION
CONTENTS

June 1987

CONFIDENTIAL

DATE: June 12, 1987

EVALUATION: C - 3

SOURCE: Comprehensive Information

SUBJECT: Teng Hsiao-p'ing Airs Views on His "Retirement"

Teng Hsiao-p'ing, chairman of the Chinese Communist Central Advisory Commission, received Mr. Kenya Yano, chairman of Japan's Komeito (Clean Government Party), and his party June 4 in Peip'ing. Answering questions about his plans for the 13th National Congress of the CCP in October this year, Teng once again touched on the problem of his retirement.

Teng was quoted to have said:

1. "An old man like me should withdraw from the Politburo and pass on the power to younger people. I am doing things now to achieve this purpose."

2. "I will however hold on to one of my positions so as to maintain the role I play now. There is no worry."

3. "Many people at home and abroad are opposed to my retirement. But I have to convince them. Now that political conditions in China become comparatively stabilized, the status of old cadres is unlikely to be affected."

4. "The problem of introducing young people into the leadership can not be resolved all at once. Perhaps it will take ten years to see results. The forthcoming Party Congress will be able to make it relatively younger."

Notes:

During his tour of Eastern Europe, Chao Tzu-yang said in answering queries from the press at airport: "Chairman Teng himself wishes to ask for retirement at the 13th Party Congress in October. But many comrades of ours do not agree. It remains to see now if he could convince us at all." Previously in April, P'eng Chen in his "answers to questions" raised by the reporters from Hongkong and Macao said: "I have been objecting

to his retirement all along. Presently many major problems require his decisions. He says that he wants to convince us. I don't know if he has convinced any body. I am not convinced."

It is generally believed that Teng Hsiao-p'ing will keep one of his twin post, i.e. chairmanship of either the "Central Advisory Commission" or the "Central Military Commission." In any case, his No. 1 role in authority is not likely to change.

DATE: June 3, 1987

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Chinese Communist Summing-up Conference on Party Rectification

The Central Committee of the Chinese Communist Party on May 26 this year held a summing-up conference on the party rectification in which an announcement was made that the three and a half years long rectification came to an end. The details follow:

1. Run-up:

The conference lasted for five days and was presided over by Hu Ch'i-li. He pointed out that this conference was an important one before the 7th Plenary Session of the 12th CCP Central Committee and the 13th Party Congress. In a summary report on the party rectification and the strengthening of ideological work, Po I-p'o made a general statement about the work in the past three years and a half. Chao Tzu-yang, Yu Ch'iu-li, Wang Ho-shou and others also made their comments.

2. Problems:

(1) Viewing the situation as a whole:

A. Generally speaking, the party rectification has not been carried out satisfactorily. Some organizations including party and government leading units at middle and high levels failed to accomplish the four basic missions for rectification. Some of them even performed their work as a mere formality. Other problems were also found in the units that have maintained good records in their work.

B. Ideological work:

(a) Many units failed to get a thorough comprehension to, and grasp of, the basic requirements for party rectification; therefore, they slackened and even overlooked their ideological, disciplinary and organizational work.

(b) Some of the leading cadres have failed to carry out the decisions made by the Central Committee. They declined to plug the loopholes, thus resulting in a failure of the campaign to put an end to spiritual pollution. This also led to rampant thinking about bourgeois liberalism.

C. Organizational work:

Some party organizations, being weak and loose, are not qualified to be called as combat units. Some members, including old members and veteran cadres, could not pass the test of power and influence and bourgeois liberalism due to their impurity in party spirit.

3. Results:

(1) 5,449 persons from the "three categories of people" during the Cultural Revolution have been dealt with. 43,074 persons have made "serious mistakes."

(2) Organizational disciplinary action:

A. 33,869 members have been expelled from the party.

B. 90,069 have not been allowed to register as party members.

C. 145,456 have not been allowed to register as party members for the time being.

D. 184,071 members have received other disciplinary punishments, such as serious warning, self-discipline under supervision, relief of party and non-party posts as suggested by the party.

Note:

The total membership of the Chinese Communist party amounts to 44 million of which 18 million jointed the party during the Cultural Revolution, but some 400,000 members were rooted out under the name of the "three categories of people" before the Chinese Communists launched their overall party rectification in October 1983.

DATE: June 12, 1987

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Conservatives Take Command at CCP's Propaganda Department After Its Extensive Shakeup

In the struggle against bourgeois liberalism during the first half of 1987 the CCP's Propaganda Department bore the brunt of the impact. The new lineup at the leadership level at the department is like this:

1. Director of the Department Chu Hou-tse was relegated to the State Council's Center for Rural Research and Development where he now works as its deputy director. The new director of the department is now Wang Jen-chih, a trusted cadre under the wing of Teng Li-ch'un when the latter was spearheading the campaign against "spiritual pollution" and until now deputy managing editor of the magazine Red Flag.

2. Wang Wei-ch'eng is now deputy director of the department to succeed ex-deputy director T'eng T'eng, who is now vice president of the Chinese Academy of Sciences and president of the Chinese University of Science and Technology; another ex-deputy director Wang Ta-ming is now deputy secretary of the Municipal Party Committee of Peip'ing.

3. The department's literary art bureau chief Li Ying-ming, information bureau chief Chung P'ei-chang and publication bureau chief Hsu Li-i have been transferred and their successors are, respectively, Meng Wei-tsai, Wang Fu-ju and Wu Chieh.

The post-shakeup new leadership group at the department is tabulated as follows:

Title	Name	Profile	Remarks
Director	Wang Jen-chih	Member of the party's Central Committee (formerly an alternative member) and ex-deputy Managing Editor of <u>Red Flag</u>	1. Ex-director Chu Hou-tse gets transferred to become deputy director of the State Council's Center for Rural Development and Research 2. Ex-deputy Director T'eng T'eng is now Vice President of the Chinese Academy of Sciences and President of Chinese University of Science and Technology 3. Ex-deputy Director Wang Ta-ming is now Deputy Secretary of the Municipal Party Committee of Peip'ing 4. Former Literary Art Bureau Chief Li Ying-ming, former Information Bureau Chief Chung P'ei-chang and former Publication Bureau Chief Hsu Li-i have all been transfered
Deputy Director	Li Yen	Formerly, the department's secretary-general	
Deputy Director	Ho Ching-chih	Formerly Deputy Minister of Culture	
Deputy Director	Wei Ming		
Deputy Director	Wang Wei-cheng	Formerly, Member of the Standing Committee, the Provincial Party Committee of Chekiang and Secretary-general of the same Standing Committee	
Propaganda Bureau Chief	Kao Liang		
Literary Art Bureau Chief	Meng Wei-tsai	Former President of the People's Publication House	
Information Bureau Chief	Wang Fu-ju	Former Deputy Information Bureau Chief	
Publication Bureau Chief	Wu Chieh		
Theories Bureau Chief	Lu Chih-Ch'ao		

Note:

To strive to have the command of the anti-bourgeois liberalism drive, the conservatives have recently taken a series of measures to broaden the sphere of the drive; for example, they have tried to bring about "a rectification of literary tendencies" by way of commemorating Mao Tse-tung's talks at a gathering of literary workers a long time ago at Yenan, established a Media and Publications Office to strengthen their control on information and publication, and done other things to subject newspapers and magazines to a system of censorship and control public opinion. At the beginning, the Tengists declared that the anti-bourgeois liberalism drive would be strictly confined to the party and would not affect the economic reform, the rural reform, scientific and technological researches, the exploration of literary and artistic styles and the life of the average people, but now it seems that they can no longer stick to their guns when confronted with the conservatives' offensive. More calamities are thus expected to befall mainland intellectuals in the theoretical and literary fields. The confrontation between the "leftist and rightist ideologies" will inevitably aggravate and add fuel to the struggle for the control of policies and programs.

DATE: June 15, 1987

EVALUATION: C - 3

SOURCE: Intelligence Report

SUBJECT: 2 Groups of Peip'ing-backed Burmese Communists Surrender

1. Burmese government troops launched a campaign against the Burmese Communists entrenched in the Pong Sa area of northern Burma since mid-November 1986 and racaptured Mongbo and Pong Sa. It was learned that remains of Peip'ing's former "support-the-left" units in the Burmese Communists began laying down arms and surrendering to the government in mid-March 1937. The government troops revealed that some 85 persons of this group had surrendered by the end of April. They appealed to the government for leniency and permission to stay in Burma. They did not want to be repatriated to the Chinese mainland.

2. It was also learned that a second lieutenant of the Burmese Communist 107th regiment led 16 soldiers in a surrender on April 10 to the Burmese government troops stationed at Namto in northern Burma. They turned in an arsenal consisting of one rocket launcher, one machine gun, seven M-1 rifles, six semi-automatic carbines used behind the enemy lines, two 9M/M handguns, 12 grenades, and about 2,000 rounds of ammunition of various descriptions. They offered information on the defense of the Burmese Communist headquarters at Mongko. According to them, this headquarters is presently under the command of a member of the BCP central committee. It has a strength of about 2,000 troops defending the town along a half-circle front, equipped with six 120 guns, eighteen 75 guns, and twelve .5 long-range machine guns.

DATE: June 1, 1987

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Secretary-General of Moslem Conference Mediates in The Self-government Demand Made by Philippines' Moro Liberation Front

1. The secretary-general of the Moslem Conference revealed on May 18 in Singapore that on May 17 he and Emmanouel Pelaez, Chief Delegate of the Philippine government negotiation group, had held a closed-door meeting concerning the Moro Liberation Front on Mindanao in the south of the Philippines. At the meeting, Palaez described in length how the Philippine government had held talks with the Moro Liberation Front and conveyed the official stand taken by the Philippine government on the issue. He expressed in strong terms that any move to confer on the Mindanao people the right of self-government must be made within the framework of the Philippine Constitution.

2. He said that he had informed Palaez that the Philippine government and the Moro Liberation Front should combine efforts to create a salutary atmosphere before they hope to work out any enduring peaceable and all-embracing solutions. Furthermore, according to the secretary-general, future negotiations between the two sides should be based on the agreement reached in Tripoli in 1976 and the agreement signed in Jidda in January 1987. He said that he was going to meet the delegation of the Moro Liberation Front in Jidda next week to listen to its opinions on the issue.

Note:

A source from the rebels in Manila disclosed that the Moro Liberation Front would relinquish its separatist demand if the issue of self-government could be settled through an agreement with the Philippine government. Currently, the crux of the dispute is that the Front demands the self-government of the 23 states in the south of the Philippines while the Philippine government agrees only to the self-government of 13.

DATE: June 10, 1987

SOURCE: Comprehensive Information

SUBJECT: Teng Hsiao-p'ing Mentions Again Fight Against Left

It is a habitual practice or political strategy for the Chinese Communists to "recognize where the chief danger lies at the present stage" and then decide in what direction they should strike. Many years ago, Mao Tse-tung thought that the chief danger in his time was revisionism and launched the Cultural Revolution to fight it; in recent days, Teng Hsiao-p'ing, in his pronouncements either on domestic situations or for the ears of foreign visitors, repeatedly underlined his view that the greatest danger nowadays was still the left — a policy-making style strongly remindful of Mao's. Teng's pronouncements reflected a great reversal of the Peip'ing regime's policy and is significant at a time when the fight against the right (anti-bourgeois liberalism) hangs in the balance and the preparations for the convention are being elaborately made. The following is an analysis of this situation:

1. Essentials of Teng's pronouncements:

(1) "Dangers" brought by the left in the past:

In an interview with visiting Spanish Deputy Prime Minister Alfonso Guerra Gonzalez in late April, Teng Hsiao-p'ing bluntly said that the traditional leftist influence had seriously affected the reform and had to be reined in; then, later in mid-May in an interview with Singapore's First Deputy Prime Minister Goh Chok Tong, he again harped on "lessons learned in the process of national reconstruction" and claimed that the problem of the left had "arrested the progress of China for 20 years" and that "though China had made some progress during this period, yet Chinese society as a whole was in a state of stagnancy."

(2) The greatest danger nowadays is still the left:

Recently Teng has issued orders to the lower level to continue to clear away leftist tendencies, with the remarks "Right now we have interferences from both the left and the right, but the left is the most dangerous and we must

resolutely clear away its influence" and also with the demand that "just because there was a typical example of liberalism last year does not mean we have doubt about and intend to relax the fight against the left which we have carried on for the past eight years."

2. Significance of Teng's remarks in the present context:

(1) Protecting Chao Tzu-yang:

Hu Yao-pang was given to hyperbole and often made statements on government policies unsuited to the occasion and for this reason he was referred to as the one who "spoke about capitalism;" on the other hand, Chao Tzu-yang is a man who knows how to avoid unnecessary risks and as an enforcer of reform programs tries as best he can to avoid impractical rhetoric and for this reason he is referred to as the man who "actually does the business of capitalism." After Hu's dismissal, the conservatives were futher boldened to request that "those who do the business of capitalism" be handled, too, and their target was obviously Chao Tzu-yang. Aware that the 13th Party Congress is drawing near while the conservative influence is continuing to swell, Teng feels obliged to mention the fight against the left again so as to put a stopper to it.

(2) Protecting Teng himself:

During the Cultural Revolution Teng was stigmatized as the "No. 1 man in power who follows the capitalist road;" ironically, the present drive against bourgeois liberalism launched by him is synonymous with a drive against the capitalist road, which, if continued without restraint, would inevitably lead to the backlash of leftist thoughts and be indeed "the greatest danger nowadays" to Teng himself. It is thus but natural that, after a thunderous crackdown on those mainland scholars who advocated "total Westernization" and were thus regarded as proponents of bourgeois liberalism, Teng should move in time to shift the cutting edge of the struggle and resume the fight against the left so as to save his own skin.

(3) Protecting the structural reform:

The success of failure of the reform programs

initiated by Teng has long been a determiner in the success or failure of Teng as a man. The conservatives' attempt to "reform the reform" cherished by Teng has not only created piles of obstacles to the reform programs and brought them to a standstill, but it has also reached the critical stage that, at a time when the old is giving way to the new, any slight hesitation manifested by Teng would mean a reversal of this transitional process as no progression in nine cases out of ten simply means retrogression. If Teng still wants to protect his reform programs, he cannot but lash out again at the left.

3. Summing-up:

One of Teng's favorite sayings is, "Fight the left if there is a left and fight the right if there is a right," and he says that he is a conservative when he talks of his insistence on the four cardinal principles and a reformist when he enforces reform and the open-door policy. At bottom, he is a man who has a foot in both camps and a manipulator of both camps. What surprises us is that no sooner had the drive against bourgeois liberalism begun (actually a drive against the right) than he talked of the fight against the left. Obviously, Teng himself is not so certain of his own power as a manipulator of the left and the right; anyway, Teng's recent pronouncements can be construed as a reflection of the aggravating power struggle prior to the coming 13th Party Congress.

DATE: June 10, 1987

SOURCE: Comprehensive Information

SUBJECT: Chinese Communist Fighter for Democracy Fang Li-Chih's Wife Scores a Landslide in Local Election

1. Related circumstances:

(1) In the Chinese Communist local government system, under the jurisdiction of a province is the hsien (county), and a municipality is divided into many precincts. For a hsien or a precinct there is a people's congress. The Haitien Precinct of the City of Peip'ing, which is the equivalent of a hsien, held on May 28 an election for new members for the precinct's people's congress after the incumbents had served their term. In the election, Fang Li-chih's wife Li Shu-hsien was elected a new member after she won close to 90 percent of the votes. Though Fang Li-chih himself did not run in the election, the voters still added his name to the voting-paper bearing the candidates on the ticket and gave him votes enough to qualify him as a winner. The authority managing the election was thus forced to announce that Fang Li-chih's victory in the election was null and void.

(2) Though elections for members of precinct people's congresses in the City of Peip'ing are only basic-level local elections, yet as the Haitien Precinct includes the Peking University constituency, the strange case of the Fang couple's electoral triumph tells sufficiently how the movement for democracy on the campus of Peking University has won the hearts and minds of mainland society.

2. Questions raised:

(1) Mainland intellectuals and the masses acting as one to take on the party authority:

A. Fang Li-chih was formerly vice-president of the Chinese University of Science and Technology in Anhui. He was considered a gadfly for his unorthodox opinion that Marxism-Leninism was no guide in the study of cosmic sciences and that any political reform should consider the notion of separation of the legislative, executive and the judicial functions of a government.

His lectures were interesting, bold and inspiring and for this reason he was much respected by the students. But his popularity and outspokenness were also the beginning of his misery. When the Chinese Communists began to use "anti-bourgeois liberalism" as an alibi to clamp down on students who demonstrated in 1986 to ask for more democracy, Fang was picked out by Teng Hsiao-p'ing as a man "deserving being criticized," was subsequently deprived of his party membership and finally forced to leave the university and work elsewhere as a full-time researcher.

B. Fang's wife Li Shun-hsien is an associate professor at the Peking University. Her decision to run as a candidate in the percinct election was itself a challenge to authority. The unheard-of electoral triumph won by the couple is to all intents and purposes a significant case of intellectuals in league with the masses vs. the party leadership.

(2) Chinese Communist dictators adopting a subtle, less obtrusive approach:

Though deprived of his party membership, Fang Li-chih was still active in scientific and technological researches and was even allowed to go abroad to Italy and England where he attended international scientific conferences. After he and his wife won the local election in a strange way, the Chinese Communists, contrary to what was generally expected, did not devise a frame-up to "come down with the big stick and put a label on" him. It seems that they have been aware of the irresistible change of mainland society and are therefore forced to be easy on the Fang couple before anything serious really happens.

DATE: June 10, 1987

SOURCE: Comprehensive Information

SUBJECT: Tokyo-Peip'ing Ties Go Sour

Quarrels over political issues, trade and Japan's "militarism" have recently created tensions of sorts between Japan and the Chinese Communists. The following is an analysis of the subtle and complicated relations between the two:

1. The quarrels:

(1) In mid-March this year Teng Hsiao-p'ing branded Japan as "a militant nation" encouraging "the revival of militarism." He avoided granting an interview to visiting Japanese Defense Minister Kurihara on May 29 despite the fact that the latter was the first Japanese defense chief ever to visit the Chinese mainland; however, he spent three hours on June 3 talking with Yano, the visiting Chairman of the Komei Party in Japan.

(2) On May 8, citing the thievery of classified information as an excuse, the Chinese Communists ordered a Japanese reporter on the mainland to leave; to retaliate, the Japanese Department of Police arrested on May 19 four Japanese and Chinese spies on charges that they had stolen classified military information and sold it to the Soviet Union and the Chinese Communists.

(3) Recently ranking Japanese and Chinese Communist political figures all rushed to comment on the Tokyo-Peip'ing relations. Japan's Prime Minister Yashuhiro Nakasone specifially said that Japan and the Chinese Communists were at variance with each other, but that Japan would try its best to put an end to the tense relations. The Chinese Communists, however, still refused to budge, and continued to attack Japan for what they termed an unfair Japanese court decision on a piece of property in Tokyo which, the court said, should belong to the Republic of China, and threatened that Japan should be held responsible for the soured relations between the two sides.

2. Problems reflected:

(1) Obviously the conservatives on the Chinese

mainland were not satisfied with the development of the Peip'ing-Tokyo relations and their dissatisfaction had grown to the extent that, to pacify them, the regime found it necessary to hand tough on issues involving the two sides' relations.

(2) Despite a host of problems threatening to spoil the Peip'ing-Tokyo relations, personnel exchanges between the Chinese Communists and Japan did not abate and both sides still claimed that their friendship was not at all affected. Sensitive political issues, to all appearances, are not likely to affect the overall operations in reference to the two sides' relations.

(3) As the Chinese Communists still need Japan's capital and technology, they really have no intention to bring their relations with the latter to a low ebb despite their tough talks. Political and economic gains from dealings with Tokyo would not allow Peip'ing to do so.

3. Potential effects:

(1) According to a statistical report, the trade between Japan and the Chinese Communists in the past year has shown an unmistakable downturn. Many Japanese businessmen have now second thoughts about their investment plans aimed at the Chinese mainland and their wait-and-see attitude has produced some negative effects on the substantive relations between Tokyo and Peip'ing. The regime's present attempt to harass Japan over political issues will make Japanese businessmen more worried and more discreet about their trade with the Chinese Communists.

(2) The military relations between Tokyo and Peip'ing have not appreciably advanced despite Japan's defense chief's visit to the Chinese mainland. Nevertheless, judging from Chinese Communist Defense Minister Chang Ai-p'ing's recent declaration that the regime is in support of the Japanese-American Security Treaty, it is likely that the Chinese Communists will continue to ask the United States and Japan to supply them with military technology; there are, however, subjective and objective factors that will force Tokyo to proceed cautiously in response to Peip'ing's request as the matter will definitely have a bearing on the stability of the region.

DATE: June 1, 1987

SOURCE: Comprehensive Information

SUBJECT: Analysis of Gorbachev's Recent Criticism of Brezhnev

Gorbachev's recent sharp criticism of Brezhnev in the political, economic, social and cultural fields has attracted world-wide attention. The following is an analysis thereof:

1. Criticism in general:

(1) Gorbachev indirectly attacked Brezhnev's policy in the 27th National Congress of the Communist Party of the Soviet Union held in Moscow at the end of February, 1986. The Pravda for the first time in December of the same year criticized Brezhnev by mentioning his name that he was too complacent, indulgent and insincere during the latter part of his reign. Then, Gorbachev again hit Brezhnev's cadre policy in the plenum of CPSU's Central Committee held in January 1987.

(2) Brezhnev's son-in-law (former 1st vice minister of the Interior; charged with graft and negligence of duties) and son Yuri were both sacked by Gorbachev. In the meantime, some 200,000 cadres appointed by Brezhnev while in office were also punished or demoted on account of corruption and abuse of power.

(3) In the open-criticism and self-criticism meetings Brezhnev has often become the target of criticism.

2. Major intentions:

(1) Destroying the old and establishing the new:

By way of criticism, Gorbachev can inject new vitality to the ossified and stagnant society wrought by the 18 long years of Brezhnev's rule and accelerate his reform at full speed. Besides, he can conceal the inherent shortcomings of socialism on the one hand and project the new outlook of "Gorbachev's epoch" on the other.

(2) Looking for support:

Gorbachev's reform has obviously suffered stiff resistance of the conservatives of the old regime. By downgrading Brezhnev, Gorbachev would like to solicit the support of all levels in order to give the conservatives a heavy blow and establish his personal prestige and historic position.

(3) Rectifying unhealthy tendency of society:

By downgrading Brezhnev, Gorbachev aims at encouraging the freedom of speech and cautioning the incapable government officials so as to drain up the people's rancour and rectify the unhealthy tendency of society.

3. Summing-up:

(1) Recognizing that the conservative force can not be rooted out overnight, Gorbachev will exercise moderation in his campaign against Brezhnev. However, it is possible that once his regime is more consolidated, this criticism which is highly political for the time being may be turned over to the hands of the historians whose assessment will be more complete and perhaps more objective.

(2) The "liberalization" and criticizing campaign led by Gorbachev has reached to such an extent as to be enough to warrant our attention. At present, except the most senior officials at the top, like members on the Politburo, who have not been criticized, all the other officials from the ministerial level down are subjected to criticism. This restrained situation may continue to come in future because the excess of it may follow in the footsteps of Khrushchev.

(3) As far as the positive functions of Gorbachev's campaign against Brezhnev is concerned, it is primarily to strip the residual elements of Brezhnev's time of their spiritual support so as to reduce the resistance to the reform on the one hand and use it as a means to match the advancement of his openness and criticizing campaign, expand the sense of participation of the Soviet people and raise their volition to work so as to further rectify the party maxims and quicken the pace of social and economic reform on the other.

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135/B

CONFIDENTIAL

EXCHANGE OF INFORMATION
CONTENTS

June 1987

DATE: June 22, 1987

EVALUATION: B - 2

SOURCE: Comprehensive Information

SUBJECT: Current Status of Intra-party Line Struggle of Chinese Communists

At the two enlarged meetings of the CCP Central Committee Politburo respectively held in January and May this year, it has been decided to oppose the right and rectify the left. In the beginning, Teng Hsiao-p'ing gave his support to the struggle against bourgeois liberalism initiated by leftist dogmatists; but now, Teng is beginning to suppress the leftist conservatives.

On the night of May 13 when the CCP Central Committee Politburo met for an enlarged meeting, Po I-p'o, Hu Ch'iao-mu and Teng Li-ch'un were singled out by acting General Secretary Chao Tzu-yang criticizing them for censuring the rightist doctrine by posing themselves as the leftists in the struggle against bourgeois liberalism. Chao's criticism against the conservatives is focused on:

1. The conservatives' seven points of view:

(1) Insisting that the four cardinal principles play a key role with the reforms, open-door policy and enlivening domestic economy playing a supporting role.

(2) Claiming that only those who talk about bourgeois liberalism are censured while those who are actually practicing bourgeois liberalism are not.

(3) Trying to have the anti-bourgeois liberalism campaign extended to economic sector.

(4) Saying that economic liberalization is the source of political liberalization.

(5) Based on the past eight years experience, the regime fares well in even years and fares ill in odd years with its reforms.

(6) Seeking to negate the anti-bourgeois liberalism policy adopted by the party's Central Committee.

(7) Believing that reform means bourgeois liberalism.

2. Conservatives' misconception in five aspects:

(1) Some of them attribute the deterioration of economic situation to the reform of economic structure.

(2) Some see the implementation of enterprise contracting and leasing system as the practice of private ownership, and view the introduction of manager responsibility system as the ending of party leadership. Others blame the joint production contract system for shaking the foundation of collective economy. Still others believe that planned economy forms the basis of socialism, while commodity economy is aimed at developing capitalism which is the source of bourgeois liberalism.

(3) As to the reform of political structure, some believe that opposing bourgeois liberalism obviates the need of political restructuring; other maintain that the reform of political structure equals to negation of party leadership; still others are skeptical about separating the functions of the party from those of the government. Also, there are people calling for expansion of political work organizations and recruitment of more political work cadres under the pretext of strengthening political and ideological work.

(4) Some dare not talk about disseminating democracy and liberating thought while advocating opposition to bourgeois liberalism; others see the proper demand for democracy as bourgeois liberalism. Under the pretext of struggle against bourgeois liberalism, some even suppress the correct criticism by the masses over the work flaws and unhealthy tendencies.

(5) Some attribute the prevailing bourgeois liberalism to the open-door policy; others misinterpret the regime's foreign policy as pro-Soviet tilt in the past and pro-capitalist nation tilt at present.

In view of the above, the left-leaning conservatives have succeeded in developing a theoretical system against the reformists. Chao Tzu-yang's current efforts to oppose the leftist tendency signifies the polarization of intra-party struggle. As the situation stands, the reformists are expected to face stiff resistance though they may be able to get an upper hand for the time being.

CONFIDENTIAL

DATE: June 17, 1987

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Peip'ing's People's Bank Calls for Acceleration Of Bank Modernization

Since business operations can not meet the requirement of economic development, state-run banks are required to accelerate the pace of modernization, Peip'ing's People's Bank disclosed. Details in this connection follow:

1. Modernization efforts:

Modernization program for the first batch of banks operating in mainland cities including Wuhan, Shenyang, Canton, Ch'angchow and Chungking was started early last year (1986). Up to January this year, the number of cities designated to do the trial work on banking reform has been increased to 27.

2. Purpose of banking reform:

To enable the bank functioning as an economic legal person operating independently and responsible for profit and loss, so that the bank may have autonomy to accept deposits, extend loans and handle money transfer within the scope of appropriate "state" status, and have power to handle personnel affairs as well as the bank's property.

3. Measures to be taken:

(1) Introduction of partial profit-retaining system:

For banks engaging in the trial work on banking reform, their profit to be retained and the amount of credit loan foundation will be decided by their head office, so that those banks may operate independently at their own risk.

(2) Implementation of manager responsibility system:

Bank managers are given full responsibility for business operation and administrative management, and assume operation risk.

(3) Banks designated to carry out banking reforms on trial basis must have the power to operate independently, handle credit loan foundation, determine floating interest rate, hire and fire banking officers as well as office workers, reward and punish staffs, create additional units, dispose of the retained profit, determine wage-scale and distribution of welfare foundation.

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CONFIDENTIAL

DATE: June 24, 1987

EVALUATION: A - 1

SOURCE: Comprehensive Information

SUBJECT: Wu Hsueh-ch'ien's Visit to Latin America

Peip'ing's foreign minister Wu Hsueh-ch'ien and his party visited Peru, Ecuador and Chile from June 7 to June 17. Details of his 11-day visit to the three Latin American countries follow:

1. Itinerary:

(1) June 7 - June 11, visited Peru and held talks with Peruvian President Alan Garcia Perez, first Vice President Luiz Alberto Sanchez, Premier Luis Juan Alva Castro, Senate speaker Belia Nueva (transliteration) and Foreign Minister Allan Wagner Tizon.

(2) June 11 - June 13, visited Ecuador and held talks with Ecuadorian President Ing. Leon Febres Cordero Ribadeneira, Vice President Dr. Blasco Penaherrera Padilla and Foreign Minister Velasco Rafael Garcia. Their meeting ended with the signing of a loan agreement and an exchange of memorandum on visa exemption for diplomatic personnel and officials.

(3) June 13 - June 17, visited Chile and held talks with Chilean President Augusto Pinochet Ugarte and Foreign Minister Jaime del Valle Alliende. The meeting ended with signing a cultural agreement.

2. Remarks made by Wu and leaders of host countries:

(1) At a press conference held in Peru, Wu noted that the trade volume between the Chinese Communists and Latin America remains insignificant, and that with the mutual understanding growing deeper, a further trade expansion is in prospect.

(2) The Chilean foreign minister said that his government hopes to strengthen cooperation with the Chinese Communists in antarctic as well as Pacific affairs.

(3) The Chilean President said that his government would seek to achieve a balanced trade by strengthening bilateral trade relations through importing household, water and electric equipment from the Chinese mainland.

(4) Wu said that he endorsed debtor nations proposal that repayment be made on the basis of not hurting their economic development. Also, Wu hoped that creditor nations and debtor nations seek to work out a solution through negotiation.

(5) Wu said that the Chinese Communists support the Contadora and Lima groups' efforts for a peaceful solution of Central America issues, but oppose the United States providing economic and military aid for the Contra guerrillas in Nicaragua.

It is noteworthy that Wu has stayed in Spain for two days before his visit to Latin America. Since Wu is the first highranking Chinese Communist cadre ever visiting Santiago since the Peip'ing regime established diplomatic ties with Chile, his Latin America trip has cuased concern from Britain, the United States and the Soviet Union.

CONFIDENTIAL

DATE: June 24, 1987

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Joint Committee for Economic, Trade, and Sci-tech Cooperation Between Peip'ing and Moscow Holds Its 2nd Conference

1. The joint committee for economic, trade, and sci-tech cooperation between the Chinese Communists and the Soviet Union convened its 2nd conference a few days ago in Moscow. The Soviet delegation was led by Nikolai Talyzin, first deputy chairman of the council of ministers, and the Chinese Communist delegation was headed by "Vice Premier" Yao Yi-lin. The fact that many draft accords were signed showed progress in many aspects of their bilateral cooperation. In particular, one agreement signed calls for joint efforts to build in the Chinese mainland new industrial plants and to renovate or modernize the old plants built by the Soviets in the fifties. A total of 12 or 13 industrial installations would be renovated and modernized.

2. At the conference, the two sides reviewed their trade relations and were satisfied with the progress already made. In 1986 the two-way overall trade gained 13 percent in value, but the Soviet share registered a 7.5 percent decrease. According to the supplementary agreement on compensation, the total trade worth 1,822,000,000 rubles achieved a balanced development. The Soviet sales to the mainland included steel, pig iron, cement, fertilizer, timber, cars, trucks and aircraft. In return grains, maize, fruits, textile and other light industrial goods, and agricultural machinery were sold by the Chinese Communists. Both sides have expressed hope for further development of the trade between the two.

3. The joint committee decided that the next conference would be held in Peip'ing in 1988. It also resolved to set up two permanent working groups: One in charge of cooperation in energy, and the other to coordinate cooperative relations between the planning committees of both sides.

CONFIDENTIAL

DATE: June 24, 1987

EVALUATION: B - 2

SOURCE: Comprehensive Information

SUBJECT: Chao Tzu-yang's Diplomatic Activities While Visiting Eastern Europe

Peip'ing's Premier Chao Tzu-yang left for a trip to Eastern Europe on June 4 and wound up his visit to Poland, East Germany, Czechoslovakia, Hungary and Bulgaria on June 21. Peip'ing's official media claimed that Chao's 5-nation tour is a move toward an all-out normalization of relations with the East bloc of nations. Details of Chao's diplomatic activities follow:

1. While visiting Poland, Chao said that he came to visit Poland and other countries in Eastern Europe with a sincere desire to promote understanding, deepen confidence, strengthen cooperation and uphold peace. Polish leader Wojciech Jaruzelski spoke favorably of the well-developed friendly ties between the Chinese Communists and Poland.

2. While visiting East Germany, Chao Tzu-yang has signed a long-term economic agreement on visa exemption and exemption from duplicate taxation. Also Chao said that his trip to East Berlin has contributed to the political goal of normalizing party-to-party and government-to-government relations.

3. While visiting Czechoslovakia, Chao has held two talks with Czechoslovak President Gustav Husak to strengthen cooperation and exchange views on international situation. Also, Chao has signed a 1986-1990 long-term trade agreement between Peip'ing and Prague, and agreed to set up a work group in this connection.

4. While visiting Hungary, Chao said that the mutual concern about the socialist construction program has contributed directly to the progress of bilateral relations. Hungarian leader Janos Kadar said that Hungary sees "China" as an important factor of international community and world peace, and is much concerned about the development of socialist "China." Both sides stressed their desire to promote economic reforms through continued cooperation.

5. While meeting with Chao, Bulgarian leader Todor Zhivkov said that in their efforts to build socialism, carry out structural reforms and uphold peace, Bulgaria and the Chinese Communists have a common task and goal which provides a good basis for the two regimes to expand bilateral and friendly cooperation. Both sides have signed an agreement on visa exemption and an agreement on radio and television cooperation.

6. During his trip to Eastern Europe, Chao was accorded a red-carpet reception. This serves to show that the Chinese Communists have made great strides in their efforts to seek better ties with the East bloc of nations. Such a development would likely contribute to the strengthening of economic/trade ties as well as party-to-party relations between Peip'ing and the five pro-Soviet nations in Eastern Europe.

CONFIDENTIAL

DATE: June 22, 1987

EVALUATION: C - 3

SOURCE: Intelligence Report

SUBJECT: Malaysian Communists Hold Out in Southern Thailand

According to an intelligence report, 653 Malaysian Communists surrendered to Thai government forces at Sadao and Betong in southern Thailand in March and April this year. They were armed elements of the pro-Marxist-Leninist Communist Party of Malaysia (CPMAL). Whereas pro-Mao guerrillas of the Communist Party of Malaya (CPM) are still hiding in the hills of Thai-Malaysian borders. It is most likely that they would extend influence to the areas formerly occupied by the Marxist-Leninist reds and mobilize local inhabitants to carry on the struggle against the government of Malaysia.

Note:

The pro-Mao CPM guerrillas in this Thai-Malaysian border region number about 800. The general secretary of CPM, Chin Peng, is believed to remain still on the Chinese mainland. As from May the government troops of Thailand launched a series of large-scale mopping-up operations against the CPM guerrillas.

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CONFIDENTIAL

DATE: June 22, 1987

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Cuban Vice Foreign Minister Pays Visit to Laos

Cuban Vice Foreign Minister Cinando Mazola (transliteration) visited Laos April 14-17. During his 4-day visit, Cinando Mazola has called on Laotian Premier Kaysone Phomvihan and held discussion with Laotian Foreign Minister Phoun Sipaseut on the situation of Southeast Asia and Asia-Pacific region, and the Kampuchean issue. He has also met with the Laotian vice foreign minister on the improvement of bilateral ties between the two countries.

Before his departure from Vientian, the Laotian vice foreign minister has invited Cinando Mazola for a visit to Cuba to exchange views on Latin America issues.

CONFIDENTIAL

DATE: June 17, 1987

EVALUATION: C - 3

SOURCE: Intelligence Report

SUBJECT: Peace Talks Between Philippine Government and Moro National Liberation Front

The following provides the latest tidings of how the Philippine government has carried on its talks with the Moro National Liberation Front (MNLF):

1. The stand maintained by the Philippine government in its peace talks with the MNLF is that any negotiations aimed at resolving the problem of self-government by the Moslems in the south of the Philippines can be carried on only within the framework of the Philippine Constitution and that such a problem is a domestic one. Instead of showing any change, the stand has now become firmer because of the landslide victory won by the government in the recent elections for the Senate and House of Representative seats.

2. As to the slated talks at Jidda on June 18-19, 1987, Perez, the man who leads the Philippine government team in the talks, once openly raised objections to the MNLF's suggestion that the next round of talks be held abroad. In his opinion, as the Moslem issue was one of the Philippine domestic issues, any negotiation on this should be held within the Philippines. But now, after both sides had settled their major differences, the team representing the Philippine government recently said it had consented to go to Jidda.

3. Perez has also tried to find ways to soften the stand maintained by the MNLF on the referendum. He revealed that Mrs. Aquino would try her best to help the MNLF capture 10 autonomous provinces during the referendums in the Congress and among the people.

4. It is generally believed that unless the MNLF changes its stand and accepts the government's interpretation of the democratic process, the hope for a peaceful settlement of the problem of the self-government of the Moslems in the south remains dim.

5. Any renewed antagonism between the Philippine government and the MNLF is not to be ruled out. Though the MNLF once assured the Philippine government that unless provocated it would not go to war, small-scale shot-outs between the two sides that have never ceased indicate that the Moro rebels have lost control and the situation is complicated to a point.

CONFIDENTIAL

DATE: June 24, 1987

SOURCE: Comprehensive Information

SUBJECT: Development Trend of Chinese Communist Policy As Seen from Contents of Intra-party Document

In the first half of 1987, the Chinese Communist Party Central Committee has issued twenty internal documents bearing the code name "Chung Fa," accounting for two-thirds of the total number of the said documents issued in any year of the past decade. Apparently, this is an unusual phenomenon. Following are contents of the the CCP's 14 internal documents known to us:

1. Highlights of documents:

(1) Seven documents deal with anti-bourgeois liberalism:

Besides conveying Teng Hsiao-p'ing's instructions, the seven documents emphasize the need for the struggle against bourgeois liberalism, the seriousness of campus unrest and scope as well as target of the struggle against bourgeois liberalism. Also, the documents call for tightening control and scrutiny over literary works, newspapers and other publications. Particularly, the documents give prominence to the leading role played by Teng Hsiao-p'ing and grasp firmly targets to be stricken.

(2) Two documents clarify the Hu Yao-pang incident:

The documents explain how Hu Yao-pang "violated the party's principle of collective leadership" and "made mistakes on major issues of political principles." Apparently, Hu's "resignation" came as a shock within the party and caused skepticism as well as dissatisfaction among party cadres. Explanation on Hu's ouster is designed to allay skepticism and pacify Hu's supporters.

(3) Of the remaining five documents, two deal with strengthening ideological and political work; one puts

forth guidelines on rural reforms; one emphasizes the need of stepping up minority nationalities work; and the one issued recently emphasizes that the great danger lies in the prevailing Leftism, calling for simultaneous struggle against the right (anti-bourgeois liberalism) and the left. This represents the great inconsistency of policy line being pursued by the Chinese Communists.

2. Problems reflected:

(1) Struggle against bourgeois liberalism being in a dilemma:

In September 1985 when the national congress of party delegates was held, Teng Hsiao-p'ing called for opposing the propaganda which favors pursuing a capitalist course. Again in September 1986 when the 6th Plenum of the 12th CCP Central Committee was in session, Teng stressed the need of opposition to bourgeois liberalism. After ordering a crackdown on student demonstrations on the Chinese mainland, Teng initiated the struggle against bourgeois liberalism and pressed for strict enforcement by issuing seven documents in a row. Aware that the said struggle has produced an impact on the regime's economic reforms, provided a basis for the conservatives to mount a significant challenge to Tengist leadership and might bring back radical leftism, the Tengists had to tread very cautiously and limit the struggle. Despite their efforts to limit the anti-capitalist drive, the Tengists could not but reaffirm that the great danger lies in the prevailing Leftism. This apparently indicates that the Tengists were caught in a dilemma.

(2) Vacillation of policy:

The non-socialist economic activities resulting from Tengist 8-year-old economic reforms did contribute to the enlivening of domestic economy, but those activities produced an impact on socialist system. Against such a contradictory background, the regime's struggle against bourgeois liberalism came as a great shock to domestic and foreign investors. With the conservative forces taking advantage of the situation, the struggle against bourgeois liberalism was carried to excess. To correct this situation, the CCP Central Committee issued a "Chung Fa" No. 16 Document soon after the anti-bourgeois liberalism struggle was unfolded, calling for launching a

simultaneous struggle against the left. Also, the said document stressed the need of overcoming habitual influence as well as rigid thought. Consequently, Peip'ing's policy veered from its course from time to time.

(3) Central authority in jeopardy:

Since the 12th Party Congress, the Chinese Communists under the leadership of the so-called Teng-Hu-Chao hierarchy have repeatedly called on all circles to identify themselves politically with the Central Committee. Apparently the regime has failed in establishing itself as an unified authority. In the past, the CCP Central Committee used to issue 25 to 30 internal documents annually. With the ouster of Hu Yao-pang, however, the Troika of Teng-Hu-Chao has broken down. To cope with untoward change of events, the CCP Central Committee has issued as many as 20 internal documents within half a year. Apparently the authority of the Chinese Communists has been in jeopardy.

DATE: July 10, 1987

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Situation Concerning Alleged Sale of 5 MiG 17s By Hongkong Businessman in Ottawa

1. Both the U.S. military and the Canadian mounted police expressed deep concerns recently over the alleged sale of 5 Chinese Communist-made MiG 17s in Ottawa by a businessman from Hongkong because each of the planes was only sold at US$150,000 to US$170,000. The U.S. Defense Department feared that these planes might be sold to Nicaragua or to the international terrorist groups through improper channel. But, the owner claimed that these planes could be used by the NATO nations as targets for the air-to-air and ground-to-air guided missiles.

2. As a result of close cooperation between the Canadian mounted police and customs, these planes were unable to gain entry into Canada; they were still left over on the Chinese mainland pending further disposal. Now, it is learned that some Australian businessmen are negotiating the purchase with the Chinese Communists for eventually displaying them in the museum.

ASUNTO: Situación referente a la supuesta venta de 5 MIG 17 de fab.China por un empresario de Hong-Kong en Ottawa.

1) Tanto el Ejército de EE.UU como la Pol. Mont. de Canadá expresaron su seria preocupación por la supuesta venta de 5 MIg 17 de fab.china a un precio de sólo 150.000 a 170.00 dólares. El Dep.de Defensa norteamerica teme que los mismos puedan ser vendidos a Nicaragua o a algún grupo terrorista a través de canales no adecuados.- No obstante, el propietario dijo que los mismos iban a ser usados por las naciones de la OTAN, como blancos para los misiles aire-aire y tierra-aire.

sigue...

2. Como resultado de una estrecha cooperación entre la Pol. Mont.de Canadá y la aduana es poco probable que los mismos puedan ingresar a territorio canadiense, y se encuentren aún en el continente esperando se tome decisión. Sin embargo, ahora se ha sabido que algunos empresarios Australianos están en negociaciones con el gob.de China a fin de adquirirlos para ser puestos en museos.-

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EXCHANGE OF INFORMATION
CONTENTS

July 1987

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CONFIDENTIAL

DATE: July 2, 1987

EVALUATION: A - 2

SOURCE: Documentary Information

SUBJECT: 21st Meeting of Standing Committee of Peip'ing's NPC

The 21st meeting of the Standing Committee of Chinese Communist 6th National People's Congress (NPC) was held on June 11 in Peip'ing and planned as a 13-day affair. A routine meeting it was to be sure, it nevertheless reflected the internal problems the Chinese Communists are faced with and how they would move in future. The following is a concise report on the meeting:

1. The first day of the meeting, June 11, was presided over by P'eng Chen, Chairman of the Standing Committee, and attended by all members. Main speakers on the occasion including Sung Ju-fen, Deputy Director of the NPC's Committee for Legal System, who submitted his report on the result of the examination of the Technological Contract Law (draft); Yeh Ju-t'ang, Minister of Urban and Rural Construction and Environmental Protection, and Han Yü-hu, Director of the National Bureau of Archives, who respectively explained the Regulations Governing the Prevention of Atmospheric Pollution (draft) and Archives Act (draft).

2. All members met for the second time on June 16 and listened to T'ien I-nung, Deputy Minister of Finance, and Ch'en Chun-sheng, Secretary-General of the State Council. In his report on the national final financial statements in 1986 and the execution of the budget in the first 5 months of 1987, T'ien revealed that the gross government revenue in 1986 was JMP226,260,000,000 against the gross expenditure of JMP233,810,000,000, leaving a deficit of JMP7,550,000,000. Ch'en, briefing the meeting on the disastrous forest fire in Heilungkiang province and the handling of the disaster, traced the causes of the fire and faulted the Ministry of Forestry with disorderly management and poor fire-fighting power.

On June 17 and 18, members were divided into sections to examine and discuss the various reports mentioned above. Though they agreed to endorse the report on the final financial statements, they complained about the year-to-year deficits in national finance, the deficits in foreign trade and

the loss of control in the scale of basic development. Some of the members said that the building of factories should be geared to economic advantages and should have the function of adding more vitality to businesses, and that "messing together" (irresponsible collectivism) was no approach to commodity economy. There were, however, also members who were in favor of planned economy and cautioned that "one should not devote oneself to producing only those money-earners." What was reflected in such arguments was clearly a struggle over policies within the party. As to the big forest fire in Heilungkiang, some were of the opinion that "the State Council should sum up and absorb in earnest the lesson taught by the forest fire and fight against bureaucratism," while others said that one should not blame everything on bureaucratism and attribute every mistake to it, and that it is improper to use bureaucratism to cover up crime.

3. On the afternoon of June 18 a third plenary session was held to hear the explanation by Deputy Foreign Minister Chou Nan of "the joint declaration on the Macao issue." Discussions by sections and a joint conference of the sections then followed.

At the joint conference of the sections held on June 22, P'eng Chen spoke on "the self-buildup of the Standing Committee of the NPC," stressing that the NPC and its Standing Committee should be careful, first, not to be negligent of its duties and, second, not to transgress its own jurisdiction. Earlier, P'eng had been busy making speeches everywhere; his general reserve at the meeting was obviously a great departure from what he had previously done.

Note:

According to the Chinese Communist State Constitution, the NPC is "the supreme national agency of power in the country," while its Standing Committee is its permanent branch which, meeting about every two months, exercises State powers when the NPC is not in session. Though the routine meeting of the Standing Committee this time around listened to the report on the unprecedented disastrous forest fire in Heilungkiang and was critical of the handling of the disaster, it was devoid of the atmosphere prevailing at a parliamentary body in a democratic country. This is simply an indication that this so-called "supreme national agency of power" has really no power to speak of.

CONFIDENTIAL

DATE: July 13, 1987

EVALUATION: A - 2

SOURCE: Documentary Information

SUBJECT: Outlook of Peip'ing's Economic Reform as Revealed at Forum on Reform Theories Sponsored by CCP's Propaganda Department

At a forum on reform theories sponsored by the Propaganda Department, Kao Shang-ch'uan, Deputy Chairman of State Economic System Reform Commission, said that the economic reform on the mainland is faced with three different stages of development:

1. The development of socialism is still at its preliminary stage.

2. The economic development is now changing from traditional economy to modern economy.

3. The reform of economic structure is at the stage when the old and the new system co-exist and are on the threshhold of change.

According to Kao, the economic restructuring at its present state has one characteristic feature: the deeper the reform plunges the harder the task will be. Also according to him, there are now many questions to explore and the chief dilemmas are as follows:

1. The problem of vitality in business mechanics:

Although the economic restructuring stresses the separation in business of ownership and right of management, the difficulty is how under the system of public ownership to make businesses responsible for their own gain and loss, and how to unite diversification and regularization in the reform.

2. The problem of price and market:

It takes long to form a market and there are problems that refuse to be solved in a simple way. The price

reform hangs on the degree the common people can bear with it; reform is bound to occur, yet it is also a very hard task.

3. The problem of investment and the reform of the planned system:

This involves the various local governments' provinces of investment and their authorities to decide on the items of investment, and it also involves who the main body of investment should be, how to control the investment in society, and how to realize the panoramic control. As the reform of the investment system is subject to such reforms as of planning, finance, and tax revenue, there is also the problem of how to make the said reform geared to the other reforms.

4. The problem of how to separate politics from enterprises and how to work changes in the government function as an economic controller:

The economic restructuring necessitates the change in government function; agency reform goes no more than a streamlining process and merge. Such measures are no way to tackle basic problems. If one wants to see a combination of agency reform and economic restructuring, there must first be a solution to the problem of how to separate politics from enterprises, and how to bring about a change in government function. Under the new system, one should ask what things the government should control, how to control, and how to step up the government comprehensive supervisory function.

Note:

The chief purpose of the forum sponsored by the Propaganda Department was to give more visibility to the various reforms. In addition to the deliberation on the functions, effects and inevitability of reform, the forum also hinted at the fact that there is still a wide gap between reform theories, policy objectives and practical experiences in reform.

DATE: July 6, 1987

EVALUATION: B - 2

SOURCE: Comprehensive Information

SUBJECT: American and Japanese Investors Express Worries About Investment on Chinese Mainland

Since the Chinese Communists started to open the mainland to the outside world in 1979, the inducement of foreign capital and advanced science and technology as well as equipment have been their major tasks. However, due to political instability and the lack of favorable environments for investment and economic development, many foreign businessmen who had the intention of making investment have become hesitant to do so. According to recent surveys separately conducted by American and Japanese researchers on the business conditions of foreign enterprises on Chinese mainland invested by their fellow countrymen, about 50 to 60 percent of the investors expressed their worries. Major reasons are given below:

1. Shortage of overall plans for sci-tech development:

Although the Chinese Communists made many regulations governing the inducement of foreign capital and technical cooperation with foreigners, they are short of overall plans for sci-tech development. As the technical standard on the Chinese mainland lags behind, it is accordingly very hard for them to make a balanced development.

2. Too much expectations and demands:

In running a joint venture, either in the form of technical cooperation or in the form of a joint-stock enterprise, the foreign investors must take into consideration the capital, the annual output and the marketing. But their Chinese Communist counterparts always expected too much of the joint venture and made more demands than listed in the contracts. Since the standpoints of both sides differed widely from each other, foreign investors could never meet the demands.

3. Not vested with the power to make decision in negotiations:

Since the Chinese Communists are not vested with the power to make any decision in negotiations, they have to wait for instructions from the higher authorities. Actually, the representative in negotiation was not necessary the one in charge of the enterprise, thus adversely affecting the process of negotiations.

4. Contract signed not in conformity with international practice:

In signing contracts with foreign investors, the Chinese Communists always purposely avoid listing in the contracts such items as the fix price, the cost, and other details in term of technology. This practice is not in conformity with international practice and would make unnecessary trouble in signing contracts.

5. The regime lags far behind in business management and conditions for production:

In spite of the efforts made by the Chinese Communists to usher in foreign capital, the problems in supplies of raw materials and spare parts remained unsolved. Moreover, the Chinese Communists are short of technical know-how and qulity control system. All these have been detrimental to their industrial development.

6. The administrative power commands the law:

In the eyes of the Chinese Communists, any contract, after signed, might be put off, suspended, remended or even abolished at any time according to instructions from higher authorities. The administrative power always commands the articles of law and contract.

Note:

The facts that Hu Yao-pang was forced to step down in January this year and that the Chinese Communists launched a drive against the bourgeois liberalism cast a shadow on foreign investors. On March, a seminar was held in Japan in which the Japanese economists pointed out that the economic relations between Japan and the Chinese Communists was in the low ebb. Many

Japanese entrepreneurs who have made investment on the Chinese mainland would delay to give the money to be invested for the time being. According to a recent survey made by a noted American company on the investment environment on the Chinese mainland, more than 60 percent of the American investors expressed deep dissatisfaction over the present policies adopted by the Chinese Communists, the regulations governing investment, tax system, supply of water and power and facilities of communications. An official statistics showed that the foreign investments in the period from October 1986 to February 1987 dropped by 35 percent as compared with the previous five months (from May to September 1986). Such being the case, the regime will fail to attain its hope of quadrupling the economic growth with the help of foreign investment.

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DATE: July 2, 1987

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Wu Reveals Peip'ing's Relations with Soviet Russia

Chinese Communist "Foreign Minister" Wu Hsueh-ch'ien visited Bangkok April 17-22 this year, attending the 40th session of the Asia-Pacific UN Economic and Social Commission opened on April 21. He met with Thai Foreign Minister Siddhi Savetsila touching on, among other things, Peip'ing's relations with Moscow. The highlights of their talks follow:

1. According to Wu, Chinese Communist "Vice Foreign Minister" Ch'ien Ch'i-ch'en and Soviet Vice Foreign Minister Igor Rogasheb, representing their respective governments, held on April 16 in Moscow the 10th round of talks on normalization of relations, which did not result in any progress. In particular the Chinese Communists treated the issue of Kampuchea as a major stumbling block to improvement of political relationship between the two sides. Whereas the Soviets took the stand that the Kampuchean issue was caused by the "cultural revolution," for which the Soviet Union is unwilling to be held responsible. In short the Kremlin thought that the Kampuchean issue could be settled through political means, and that it would be unreasonable to ask the Heng Samrin regime, which is recognized by the Soviet Union as the legitimate government, to negotiate with Khmer Rouge. Furthermore the Soviets would be ready to guarantee a joint settlement of the Kampuchean issue through the UN Security Council after the withdrawal of the Vietnamese troops in 1990.

2. About the political situation in the Soviet Union, Wu held that the fact speech to the plenum of the CPSU central committee convened in January 1987 unfolded Mikhail Gorbachev's intentions to make a policy of glasnost to launch political, economic, social, and sci-tech reforms in a bid to bring about the democratization of the country and raise the living standard of the people. One will have to wait and see whether or not the efforts made by the Soviet leader can come through. The outcome of the reforms perhaps could be evaluated at the CPSU's congress scheduled for 1988.

Wu said that Gorbachev's reform policy has won welcome and support from a majority of leaders at high levels. But rash implementation of the reforms could possibly touch off resistance from the conservatives and even objection from the mid-level officials who are directly enforcing the reforms. The Soviet foreign policy hencefoth is geared to seek better relations with all nations, that will be conducive to effective implementation of the reforms at home. Hence, there have been the Soviets endeavors to ease tensions between Eastern and Western countries, and proposals for removal of the medium range nuclear missiles deployed in Western Europe. These issues, albeit insoluble shortly, are of immediate concern to Western nations. Therefore the Chinese Communists hold the view that the medium range nuclear missiles in Europe and the nuclear weapon installations in Asia as well are problems that ought to be discussed at the same time.

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CONFIDENTIAL

DATE: July 13, 1987

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Indonesian Monthly Military Technology and Strategy: Chinese Communist Regime Is Indonesia's Potential External Threat

In an article carried by the inauguration issue of the Indonesian monthly Military Technology and Strategy, Sayatiman (transliteration), former chairman of the Indonesian National Security Council and ambassador to Japan, designated the Chinese Communist regime as Indonesia's potential external threat, which can possibly conduct subversive activities in Indonesia. Smarting from the "September 30" coup, President Suharto of Indonesia once bluntly said that unless Peip'ing openly declares its renunciation of support for Southeast Asian communists Indonesia is unlikely to normalize its relations with the Chinese Communists through talks.

Note:

Though run by retired Indonesian generals, the monthly Military Technology and Strategy is supported by incumbent high-ranking Indonesian military officials and has therefore a measure of influence on the policies of the Indonesian government.

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DATE: July 13, 1987

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Soviets to Provide Philippines with Aid Worth Several Million U.S. Dollars

The Soviets intend to provide the Philippines with a sort of social and economic aid, worth several million U.S. dollars, to complete six major projects:

1. Joint development of deep sea fisheries.

2. Reconstruction of the Philippine railroad transport system.

3. Use of Padanga and Cebu harbors by the Soviet merchant ships and fishing boats.

4. Provision of technical assistance for the Philippine nickel plant.

5. Hire of 2,500 Philippine workers in the steel plant in Ukraine and 1,300 Philippine workers in the electronics assembly plant in Moscow, both of which will be built soon.

6. Exploration of non-ferous metals and construction of a high voltage power plant.

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DATE: July 8, 1987

SOURCE: Comprehensive Information

SUBJECT: Analysis of Recent Publication of Teng Hsiao-p'ing's Speech Made in 1980

In a speech addressed to the participants in an enlarged meeting of the CCP Central Committee Politburo held in 1980, Teng Hsiao-p'ing proposed the structural reform of party and state leadership. the document was studied and included in his Selected Works. On July 1 this year, the Chinese Communists on the anniversary of their party foundation and preparation for the coming 13th party congress again re-emphasized the significance of said document. An analysis is summarized below:

1. Main points of the speech:

(1) Comments on abuses of state leadership:

According to Teng Hsiao-p'ing its intolerable offences include bureaucracy, over-centralization of power on a few leading cadres and their prolonged leadership as well as practice of patriarchal rule in the party.

(2) Contents of proposal for political reform:

Teng urges the separation of party and state as an initial step providing the State Council and local governments sufficient freedom to carry out decisions of their own without party interference. He also requests the reform in party and state organizations, refinement of leading centers in the echelon and gradual transference of leadership to the younger generation as well as practice of collective leadership and division of labor and responsibilities.

2. Discouraging facts regarding the event:

Since Teng's speech on political restructuring seven years ago, the same issue has thrice been raised by the party with the same sad result of repeated defeat due to its violation to the party's four cardinal principles and people's democratic dictatorship. Motion of the same this year, especially when the

struggle against bourgeois liberalism is still not at rest, people talk only of study of the document, meanwhile carefully avoiding discussion of the issue. People's distrust in the party and negative attitude toward the matter are obvious.

3. Summing-up:

(1) Aiming to cheat by false image of political reform:

As the reform will uproot the party's basic structure which is based on people's democratic dictatorship, besides most of the abuses mentioned by Teng belong to administrative deficiency, for which the CCP has already urged its cadres to rectify, the present re-announcement of the demand on political reform is therefore a deceit aiming to cheat the world by creating a false image.

(2) Essentially the propaganda tends to create Teng's image as a great leader of the people. The Chinese Communists have propagated for Teng before, commending his Selected Works as the nation's blueprint to build socialism with Chinese characteristics. When the Chinese Communists again propagate Teng's speech as the party's guiding document and praise him during the July 1 anniversary this year to be the "Chief Designer" whose leadership in economic and political reforms is no less important than that of Chairman Mao's during the Revolution. Both are, therefore, "Giants" and great national leaders badly needed by the people in the construction of a powerful, modernized "China." Thus it is obvious Teng still needs personality cult to maintain a peaceful situation.

(3) Teng's proposed reform of political structure, as it is essentially contradictory to the party's founding principles, will be doomed to failure again. To the utmost extent, it will be confined to superficial change of party structure aiming at solidifying of personal power and group interests. Since Teng has openly declared before his objection both to liberalization in socialism and to western style of democracy, his sincerity in the reform is dubious. However, as the Chinese Communists have repeatedly mentioned about this and formation of an act on political restructuring during their 13th party congress. The matter should indeed deserve our attention.

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DATE: July 8, 1987

SOURCE: Comprehensive Information

SUBJECT: Recent Plenum of CPSU Central Committee and Session Of Supreme Soviet

The Communist Party of the Soviet Union (CPSU) held the plenum of its Central Committee on June 25-26 and the summer session of its Supreme Soviet on the 29th and 30th of the same month. On both occasions a number of important reform bills including the State Enterprise Act had been approved. The following is an analysis of what had happened on the two occasions:

1. The meetings themselves:

(1) Mikhail Gorbachev was the keynote speaker at the Central Committee Plenum and his theme was "The Basic Principles in the Radical Reform of Economic Management." At the Supreme Soviet the keynote speaker was Premier Nikolai Ryzhkov, whose theme was "The Reform of Our National Economy at the Present Stage of Economic Development." The two speeches were followed by the endorsement of a number of important bills on government and economic reforms.

(2) The Central Committee Plenum elected Politburo Alternate Members Slyunikov and Aleksandr Yakovlev and Secretary of the Central Secretariat Viktor Nikonov full Politburo Members; the new Defense Minister Dmitri Yazov, originally an alternative member of the Central Committee, was promoted Alternate Member of the Politburo.

(3) The plenum agreed to the recommendation that the 19th Party Representatives' National Consultative Congress be held by the end of June 1988 to overhaul the outcome of the Twelfth Five-year Plan (1986-90 both inclusive) in its first 2.5 years, sum up the experience in pushing the reform policy and give greater depth to the democratization of the party and Soviet society.

2. Significance of the meetings:

(1) Making the economic reform more extensive:

In addition to the approval of the State

Enterprise Act, the meetings also discussed 11 reform-related bills including the pricing reform. Obviously Gorbachev had taken his first bold step toward a sweeping reform of the centrally-controlled Soviet economy.

(2) Creating the image of socialist democracy:

The Supreme Soviet passed two bills respectively on the right of the people to discuss important issues in the national life and the right to sue in the court government officials whose acts constitute a violation of civil rights. The Gorbachev group, by allowing more people's participation and bringing in an anti-bureaucratic legal system, was clearly on the way to create a democratic image to facilitate the enforcement of the economic reform.

(3) Buttressing Gorbachev's power base:

At the plenum three of Gorbachev's right-hand men entered the Politburo without a hitch, swelling the membership of the Politburo from 11 to 14. It should be noted that 8 of the Politburo members were appointed after Gorbachev's rise to power and all of the three newly elected are concurrently secretaries of the power center. Doubtless, Gorbachev has gradually firmed his power base.

3. Summing-up:

(1) The State Enterprise Act advanced by Gorbachev, called "the mighty and effective lever to accelerate reform," is seen as the most important economic legislation since 1920. The purpose of the Act is to expand the enterprise's autonomy and change executive management into democratic economic management. Beginning in January 1988 the Act will come into force by stages; though it is bound to conflict with the vested interests of the conservatives in the party at the middle and lower levels, it may possibly help greatly with the average people's will to labor. Moreover, as Gorbachev is matching the Act with other kinds of reform in the party and the government and promoting his henchmen responsible for economic reform to slots in the nucleus of power, the Act will be conducive to Gorbachev's effort to push his reform and introduce a new chapter in Russian history.

(2) After his ascendancy Gorbachev has attracted world attention by his repeated peace initiatives and is now making positive effort to create the image of socialist democracy. Undeniably Gorbachev's acts will have a bewitching effect on Western Europe and Third World countries and will serve to pry loose the strategic relations the United States maintains with its West European allies and weaken America's global influence. The recent development in the Soviet Union is certainly a matter to be reckoned with.

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DATE: May 13, 1987

SOURCE: Comprehensive Information

SUBJECT: Drift of Peip'ing's Cadre Policy as Judged from Recent Partial Shakeup in State Council

1. Related circumstances:

(1) Between March 23 and April 13, 1987 three ministers in the Chinese Communist State Council were replaced by new appointees: Minister of Public Security Juan Ch'ung-wu replaced by Wang Fang, Minister of Light Industry Yang P'o replaced by Tseng Hsien-lin, and Minister of Health Ts'ui Yueh-li replaced by Ch'en Min-chang. In addition, Li T'ieh-ying was appointed Chairman of the State Economic System Reform Commission, a post until then held concurrently by Chao Tzu-yang.

(2) Since 1984 the State Council has undergone a number of structural changes. The Ministry of Education was scrapped in favor of a State Education Commission; the Ministry of Mechanical Industry and the Ministry of Arms Industry were merged to become the State Mechanical Industry Commission; recently a new Ministry of Supervision was further created. Though such changes have caused no change in the number of the agencies directly responsible for the State Council — still 45, they have obviously strengthened the Council's administrative functions. The recent personnel shift was a part of a planned sweeping shake-up, now close to completion; of the holders of the 45 posts, only 17 are holdovers, 27 being new appointees plus the still-unappointed Minister of Supervision.

2. Analysis of the special features:

(1) So far as the cadre policy is concerned, one can notice the emphasis placed on the opportunities for cadres known for their expertise. Of the 27 new appointees to take charge of the State Council ministries and commissions, 23 have a college background and 4 have pursued advanced studies in the Soviet Union and Eastern Europe. Another feature is the lowering of the average age. In 1983, when the attempt at shakeup was initiated, the average age of the holders of important

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posts in the State Council was 63, but now it is 59; the oldest is the 72-year-old Lu Tung, Chairman of the State Economic Commission, and the youngest is the 47-year-old Yeh Ju-t'ang, Minister of Urban and Rural Construction and Environmental Protection. A third feature is the reduction of concurrent jobs to honor the principle of "one person one job;" Chao Tzu-yang's relinquishing his concurrent post of Chairman of the State Economic System Reform Commission was intended as an example to show that he himself had honored the principle.

(2) So far as the motivation for appointment and dismissal is concerned, one special feature is the reflection of the impact of contradictions in the party. In communist infighting "the power of the secret police" plays an important role; the change of guard at the Ministry of Public Security has for the most of the time been linked to the ebb and flow of Chinese Communist infighting. Juan Ch'ung-wu used to be connected in one way or another with Hu Yao-pang; he was appointed Minister of Public Security when Hu still stood high in Teng Hsiao-p'ing's favor, and was transferred when Hu was suddenly hurled into oblivion; Juan's transfer had apparently something to do with Hu's ouster. Another special feature is the influence of policy. The State Economic System Reform Commission is basically the product of the policy aimed at reform; the new Ministry of Supervision is the product of the State Council's policy to keep an eye on its administrative work. In short, both are organizations demanded by policy. The appointment of a new chief to the Ministry of Light Industry is possibly linked to the effort to develop commodity production.

3. Summing-up:

The structural and personnel changes effected by Peip'ing's State Council are pointers that regime will, in all likelihood, still strive to keep its doors open to the West and carry on its domestic reform, and that its policy to give a fresh look to the ranks of cadres will persist, too. What seems surprising is that when it comes to the organization of cadres, there is obviously a sort of retrogression: Previously the notion of "three echelons" accentuated the need to assign aging cadres to positions where they can only play the second string, yet now there is a revived emphasis on "three in one," by which it is meant that the aging cadres will still stay where they are — a development which will affect in a considerable degree the Tengist wish to effect a transition of power from the old to the youthful.

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FECHA: 13 de Mayo de 1987

TEMA: Cambios recientes en puestos políticos en el Consejo de Estado.

1.- Desarrollo de los acontecimientos:

a.- Entre el 23 de marzo y el 13 de abril de 1987, tres ministros del Consejo de Estado de China Comunista fueron apartados de sus cargos: el Ministro de Seguridad Pública Juan CH'UNG-WU reemplazado por Wang FANG, el Ministro de Industria ligera Yang P'O sustituído por Tseng HSIEN-LIN, y el Ministro de Salud Ts'ui YUEH-LI sustituído por Ch'en MIN-CHANG. A esto se agrega que Li T'IEH-YING fue nombrado Jefe de la Comisión para la Reforma del sistema económico del Estado a un puesto hasta entonces mantenido por Chao TZU-YANG.

b.- Desde 1984 el Consejo de Estado ha sufrido un número considerable de cambios estructurales. El Ministerio de Educación se ha pronunciado en favor de una Comisión de Educación Estatal; El Ministerio de Industria Mecanica y el Ministerio de la Industria Armamentista se fusionaron para formar la Comisión de Industria Mecánica estatal; recientemente se creó un nuevo Ministerio de Supervisión. Pese a estos cambios, los mismos no han causado modificaciones en el número de agencias directamente responsales del Consejo Estatal - todavia 45, ellos obviamente fortalecen las funciones administrativas del Consejo. El reciente cambio de personal fue parte de una planificada reestructura, que quedó cumplida en su totalidad; de los 45 puestos, solamente 17 se mantienen en sus cargos; en total son 27 las nuevas designaciones, más las que aún no se han designado en el Ministerio de Supervisión.

2.- Analisis de temas especiales:

a.- Pese a la importancia que reviste el estar vinculado a los cuadros políticos, se pone enfasis en aprovechar las oportunidades de lugares vacantes, para colocar en ellos gente experimentada en la materia. De las 27 nuevas designaciones dentro del Consejo Estatal de Ministros y las comisiones, 23 tienen estudios universitarios y 4 poseen estudios avanzados, cursados en la Unión Soviética y Europa Oriental. El otro tema importante es la disminución del promedio de años. En 1983, cuando se inicio el intento de reorganización, el promedio de años de los más ancianos en los puestos más importantes en el Consejo de Estado era de 63 años, pero ahora se ha establecido el máximo en 59; el más viejo es Lu TUNG, Jefe de la Comisión Económica Estatal, de 72 años y el más joven es Yeh JU-T'ANG, Ministro de la Construcción Urbana y Rural y Protección Ambiental, con 47 años. El tercer tema a tener en cuenta es la reducción de la concomitancia entre los trabajos y el honor; el principio de "una persona un trabajo"; el abandono de Chao TZU-YANG de su puesto de Jefe de la Comisión de Reforma del Sistema Económico Estatal fue expuesto como un ejemplo para mostrar que el habia respetado el principio.

b.- Hasta donde está vinculadas las motivaciones para los nuevos nombramientos y dimisiones, uno de los temas de especial reflección

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es el impacto de las contradicciones dentro del partido. La lucha comunista "del poder dentro de la política secreta" juega un rol importante; el cambio de guardia en el Ministerio de Seguridad Interna tiene al mismo tiempo, vinculación al reflujo y crecimiento de las luchas internas en China Comunista. Juan CH'UNG-WU fue utilizado para conectarse por uno u otro medio con Hu YAO-PANG, siendo nombrado Ministro de Seguridad Interna cuando Hu mantenía el favor de Teng HSIAO-P'ING, y transferido cuando Hu YAO-PANG fue súbitamente apartado de su cargo; la transferencia de Juan aparentemente, tuvo algo que ver con la destitución de YAO-PANG. Otro tema de especial importancia, es la influencia política. La comisión de Reforma del Sistema Económico Estatal, es básicamente el producto de la ayuda política a la reforma; el nuevo Ministerio de Supervisión es producto de la política llevada a cabo por el Consejo de Estado para mantener bajo su control el trabajo administrativo. En concreto, ambos organismos están organizados por medio de influencia política. El nombramiento de un nuevo Jefe del Ministerio de Industria Ligera está, posiblemente, ligado a los esfuerzos para el desarrollo de la producción.

3.- Conclusión:

Los cambios estructurales y de personal efectuados por el Consejo Estatal de Pekin, están señalando que el Régimen, con toda seguridad, seguirá empeñándose en mantener abiertas las puertas al Occidente y llevar adelante las reformas internas, dándole a la política un aire renovado, en aquellos puestos en los que persisten los dirigentes más antiguos. Lo que parece sorprendente es que existe obviamente un cierto retroceso en la organización de cuadros: antiguamente, la noción de "tres escalones" acentuaba la necesidad de trasladar a los dirigentes más viejos hacia aquellos puestos donde jugaran un papel más bien secundario, pero aún hoy persiste el énfasis de "tres en uno", lo que significa que persiste la idea de mantener bajo control al menos uno o dos puestos en una misma persona, por lo que se espera que los líderes a que hacíamos referencia, seguirán ocupando los puestos que hoy ocupan - un desarrollo, que indudablemente, afectará gradualmente los deseos de los Tengistas, de efectuar la transmisión del poder de los líderes más antiguos a los más jóvenes.

DATE: July 23, 1987

SOURCE: Comprehensive Information

SUBJECT: Analysis of Meeting of Communist Parties from Asian And Pacific Region Held in Outer Mongolia

The communist parties from the Asian and Pacific region met in Ulan Bator on July 7-9 this year for discussing the question of how to cement their unity and regional cooperation. For this reason, it should merit our attention. The following is an analysis thereof:

1. General situation:

(1) Delegates representing the communist, labor and socialist parties of 21 countries, including the Soviet Union, Afganistan, Vietnam, Kampuchea, Laos, the Philippines, India, the United States, Canada, Australia and New Zealand, came to attend this meeting. The Chinese Communist Party did not attend because "it is held not at the right moment." The other absentees were the communist parties of North Korea, Japan, Thailand and Malaysia.

(2) Anatoly F. Dobrynin, Secretary of the CPSU Central Committee, charged the United States in the meeting of deploying nuclear weapons in the Asian and Pacific region and actively forming the Washington-Tokyo-Seoul triangular military alliance, thus causing tensions in the region. He also indicated that the Soviet Union would like to further improve the relations with the Chinese Communists for jointly maintaining peace and security in this area. Vietnamese delegate Tran Xuan Ba, too, attacked the United States for capitalizing the "Sino"-Soviet contradiction to make strategic gains and implementing the "two China" policy.

(3) Although the main theme of the meeting was to appeal against nuclear weapons and nuclear war, it also laid emphasis on the mutual understanding and multilateral cooperation between the communist parties in the Asian and Pacific region. Documents were passed stating their willingness to make dialogue with their resident countries and organize the anti-war united front to eliminate nuclear threat.

2. Practical significances:

(1) In view of its status in the Asian and Pacific communist camp, Outer Mongolia was far from being qualified to initiate this meeting. Obviously, it was the CPSU that had manipulated from behind with a purpose of pulling together all communists from the Asian and Pacific region for further unity and cooperation. It has also been the concrete action taken by the Soviet Union to re-group the Asian and Pacific communist parties for the first time since it established the "Bureau of Asian Socialist Countries" in its Foreign Ministry.

(2) Since assuming power, Gorbachev has repeatedly emphasized the dawning of the Pacific Age, mentioned his conception of the "Asian collective security system" and claimed that the Soviet Union is an Asian country. This meeting was therefore accredited with a mission to respond the Soviet call for the abolition of nuclear weapons, pave the way for convening the Asian security conference and, above all, aggrandize the Soviet influence in the region.

(3) To strengthen the unity and development of the communist countries is one of the key points of Gorbachev's foreign policy. This meeting was therefore meant to exalt and publicize the principle that "all communist parties are independent and equal" and that "no party can monopolize the truth," which Gorbachev recently put forth in order to cement relations between the socialist countries and particularly to entice the Chinese Communists for an early rapprochement of party relations. Besides, this meeting was also used as a testing balloon to see if the "conference of world communist parties" can possibly be re-convened so as to re-confirm the Soviet leadership in the international communist camp.

3. Comprehensive assessment:

(1) The only reason the CCP excused itself for not sending delegates to the meeting was that "it is held not at the right moment." This posture would indicate that the CCP only wanted to make its position elastic so that it could offend no countries in the communist camp on the one hand and avoid being suspected by the Western countries on the other. As to the absence of delegates from the Communist Parties in North Korea, Japan, Malaysia and Thailand, it would indicate that not only the background of the component countries in the communist camp is getting more complicated but Gorbachev's conception of re-grouping the international communists would be difficult to be materialized.

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(2) As the target set by the Soviet Union to pull together all communist parties of the Asian and Pacific region in this meeting has not been completely met, it may produce certain effects on the Soviet new Asian policy. Henceforth, with Moscow's further maneuverings together with Peip'ing countermeasures, it is possible that a new situation in the Asian and Pacific region may be developed, which should merit our attention.

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DATE: July 15, 1987

SOURCE: Comprehensive Information

SUBJECT: Analysis of Peip'ing's Attempt to Sum Up Top Priorities Of Its Economic Restructuring in Recent 8 Years

Making ready for the coming 13th Party Congress, the Tengists have recently, through the media, summed up under categorized heads the so-called "achievements" of their economic restructuring in the past eight years. They stressed that "socialism has not been tampered with," and that the economy had indeed been revived. Though all this was a warm-up before the discussions at the 13th Party Congress, it can more or less reflect what is expected in the Tengists' effort to further their reforms.

1. The totality of reform objectives:

The Tengists say that the overall objective of their reform is to "breathe life into domestic economy and open the doors of the mainland to the outside world." The concrete measures that they take to achieve this objective are to match activities with "the socialist planned commodity economy" and introduce corresponding reforms in the four areas of production, circulation, distribution and consumption. The family in a rural village is looked upon as a "microscopic cell" of the collective economy; the enterprise in a city is also a "microscopic cell" in the economy under the ownership by the whole people. The two kinds of cell are seen as economic life-blood. They are also, meanwhile, trying experimentally to establish the three major markets respectively for capital, productivity and production materials, and seeking to turn to account marketing mechanics so as to set in motion the transition of the old into the new system. In foreign trade, in addition to the establishment of special economic zones and opening some coastal cities to trade, they also lay emphasis on the absorption of foreign capital and technology and on the expansion of overseas markets. According to the Tengists, their achievements in all such things are great and they shall continue to achieve more.

2. Questions raised:

(1) The complaint that there is insufficient

favorable reaction within the party and in society to reform programs:

For example, the communists say that mainland people do not have sufficient understanding of the length, complicacy and stupenduousness of the reform; some cadres think that the reform measures may have side-effects on the economic environment and the authority is not circumspect in this regard; and there is also the complaint that the course of reform is bound to be tortuous and oscillating, which will in turn create a crisis of faith among the people. Gripes such as these can in one way or another affect the outcome of the economic reform.

(2) The exposure that there is no sense of proportion in choosing between reform and development:

The Tengists attempt to propel economic development by means of reform and use economic development to prove the correctness of the reform policy: What they fail to see is that, since both reform and development can have tremendous social impact, it would be very difficult to engage in just one of the two, let alone to engage in both of them simultaneously, which would interact against each other violently. Furthermore, as they insist that reform is possible only when it is not against the "four cardinal principles," how could reform be smoothly carried out under such self-imposed fetters?

(3) The dilemma that reform is outstripping the theory that supports it:

The reform of economic structure launched by the Tengists gives rise to the resurgence of "unsocialist economy;" the conservative leftists regard this development as a revolt against orthodox communism, while the rightists demand more of the "unsocialist" elements. Not equipped with convincing theories to support their reform, the Tengists have had a hard time coping with both the left and the right.

3. Potential development:

In summing up the outcome of their reform programs, the Tengists take the credit for what they say is good and blame everything else that is bad on others. In the coming 13th Party Congress, they will obviously try their best to defeat all those obstructive forces so they can carry on their reform.

CONFIDENTIAL

135/B

DATE: July 23, 1987

EVALUATION: A - 2

SOURCE: Documentary Information

SUBJECT: Peip'ing Renews Its Send-down Policy to Assign College Graduates to Work in Basic Units

Li P'eng, vice premier of Peip'ing's State Council and concurrently chairman of State Education Commission, pointed out that during the "National Conference on Education" held in mid-February this year to get anti-liberalism struggle going in the higher education front, the university and college students' "social practice" should be strengthened and the job assignment system for graduates from high schools, colleges and universities should be improved. Promulgated in mid-June, the regulations governing the job assignment for this year's graduates stipulate that all graduates will be sent to rural areas in order to temper themselves in the work in government organizations at the grass-roots level. This is in reality a renewal of the send-down policy. Highlights are as follows:

1. Li P'eng indicated that in the "National Conference on Education" the campus upheavals occurred by the end of last year was "serious in nature," that in order to stabilize the situation in schools of higher learning and to keep the students' thought well balanced, the ideological and political work in schools at various levels should be improved and enhanced, and that the campaign against bourgeois liberalism should be organized. Emphasis should be laid on the strengthening of combining the reform in education with socialist construction so as to guide the students to grow up "correctly." Main approaches include enhancing school students' "social practice" and renovating job assignment system for graduates. Those graduates (including regular four-year schooling ones, one to three years' schooling persons and graduate students) who have not steeled themselves in the social practice shall not be assigned to work in state organs or schools of higher learning and institutions of science and research. Instead, they should be sent to basic units to receive on the job training first. At the same time, system of evaluation and supervision standard should be designed for disciplinary purposes.

2. In mid-June this year the Chinese Communists enacted the regulations governing job assignment for graduates from schools of higher learning. It was declared that the state would assign jobs for 374,000 college and university students and 23,000 graduate students. The guiding principle for job assignment is to "face rural areas, go down to basic units, support the front-line production and enhance the constructions in the frontier." It was disclosed that, according to instructions from the Chinese Communist power nucleus, the party in principle would not recruit its cadres from among each year's university and college graduates. Instead, it would recruit cadres for the state organs from among those who have received education of college level and who have tempered themselves in the work in the basic units. As a rule, those who have just stepped out of schools would not be permitted to enter directly and work in schools of higher learning and institutions of science and research. If work really necessitates, those who are allowed to should be assigned first to the basic units and finish their one or two years' on the job training prior to their being really accepted to work for those organizations.

3. In June this year, the authorities in Fukien came up with the "Temporary Regulations Governing Job Assignment for Graduates from Schools of Higher Learning." The regulations stipulate that party and administrative organs in the province shall not in principle staff as replacements those who have just stepped out of schools. Those whose specialties are very much in demand could work in the organs, with pre-conditions that they finish working in the industrial and mining enterprises, or in rural areas and basic units for two to three years according to their specialties with their "performance merits to be worthy of party's continued patronage."

4. The authorities in Kirin recently revealed that, the province would enlarge the job assignment for this years' high school, college and university graduates. All of them would be sent to basic units. There are no places for them in the party and administrative organs. Those whose majors are technology should go down to factories and work in engine rooms or similar work units; those whose majors are agriculture or medical science shall go down to the countrysides, the forest and medical units; those whose majors are politics, laws, finance and economics shall help strengthen the administrative, law enforcing, supervisory and economic adjustment departments in basic units.

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CONFIDENTIAL

DATE: August 12, 1987

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Peip'ing's State President Li Hsien-nien Talked of His Stepping Down from Politburo

Li Hsien-nien, Peip'ing's State President and member of the standing committee of the CCP Central Political Bureau, met with the delegation of the Socialist Party members of the Japanese Diet for one hour on July 29. The following are the main points of his talks:

1. "At the 13th party congress scheduled to open in October, I will step down from the Politburo and retire to the second line."

2. Because of his "sound health" and also his wish to provide "necessary opinions," he believed that he would be asked to stay on an advisory position.

3. "Starting from now, the leadership hierarchy will need persons in the forties, fifties and sixties to replace persons who are relatively old and easy to get sick."

4. The leaders of the party central, then meeting at Peitaiho, "have not decided as to who will succeed these positions."

5. "Ch'en Yun has passed 80. Teng Hsiao-p'ing, who is now charging the state affairs, is already 82."

Notes:

1. Li is the second person among the current five members on Politburo standing committee (Chao Tzu-yang, Teng Hsiao-p'ing, Li Hsien-nien, Ch'en Yun and Hu Yao-pang) to have openly announced retirement. Earlier, Teng Hsiao-p'ing also indicated his intention to step down from the Politburo when talking with Japanese lawmaker Zunya Yano of the Komei Party on June 4 but he said that he would still retain a post in either the Central Advisory Commission or the Central Military Commission. On July 4, Teng

told German Federal Chancellor Kohl, then visiting Peip'ing, that all the current members on the standing committee of the Politburo will retire except Chao Tzu-yang, who will stay on the job. Although Ch'en Yun has not yet indicated his intention, the statement Li Hsien-nien made would imply that he will also be leaving the post.

2. Li did not say whether he would relinquish the title of state president, a post that will expire in April next year.

3. Li's statement also implies that Teng Hsiao-p'ing's hope of "staying on or quitting together" with Ch'en Yun and himself would almost come true and that a major change of personnel in the CCP leadership hierarchy is in the offing.

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CONFIDENTIAL

135/B

DATE: August 13, 1987

EVALUATION: B - 2

SOURCE: Comprehensive Information

SUBJECT: Chinese Communists to Expand Export of Light Industrial Products

As the industrial products of developed countries have become more capital-intensive and more technique-intensive, the developing countries with their lower labor costs have gradually gained the upper hand in competition of exporting their labor-intensive goods. Meanwhile, the devaluation of U.S. dollar against Japanese Yen and Deutsche Mark has also cast an impact on international market. In order to meet the changes in international market, the Chinese Communists have decided to take the following actions to expand their export of light industrial products:

1. Mapping out a set of encouraging measures to provide preferential treatments to light industrial enterprises in coastal areas so that the entreprenuers will take active attitude toward their business.

2. Asking light industrial enterprises to transfer their business from making rough machining goods to finish machining goods. The productive system of exporting light industrial manufactured goods, such as machinery appliances and electronic apparatus, has been set up in Shanghai, T'ientsin, and other major cities in the coastal provinces of Kiangsu, Chekiang and Liaonin.

3. Extending an extra loan of JMP400 million with deducted interest has been offered by Peip'ing's State Economic Commission to help expand export of light industrial products with emphasis on technical reform of enterprises engaged in exporting business; some 140 reform projects are being arranged with the help of this extra loan. Besides, the office in charge of machinery and electronics under the State Council has appropriated a sum of JMP100 million as a special loan to the Ministry of Light Industry to help establish export bases for light industrial products, such as machinery appliances and electronic

apparatus, and to help expand enterprises engaged in exporting business so as to strengthen the development of light industries.

4. Placing emphasis on intermediate products to increase export of intermediate products, such as spare parts and package appliances, and to speed up reform for the export structure of light industrial products so as to ensure an effective expansion of exportation.

5. Developing direct contact channel with foreign traders to make a breakthrough in international market. Light industrial products were mostly exported through Hongkong, but under the efforts of the Chinese Communist foreign trade organizations and the enterprises having capability of doing foreign trade independently, the antennae of Chinese Communist exporters have stretched to all corners of the world.

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DATE: July 15, 1987

EVALUATION: B - 2

SOURCE: Comprehensive Information

SUBJECT: Situation and Problems of Industrial Output on Chinese Mainland in First Half 1987

The situation and problems of the gross value of industrial and energy outputs on the Chinese mainland can be summarized as follows:

1. Growth:

(1) Gross value of industrial output:

It amounts to JMP492,650 million, an increase of 15 percent over that in the same period of 1986. Of the total, the share of light industries increases 15.6 percent, and that of heavy industries, 14.4 percent as compared with those in the corresponding period of last year.

(2) Energy output:

Crude oil is 65.27 million tons and coal 215 million tons, respectively 4 and 19.8 percent more than that in the same period of 1986. Natural gas is 7 billion cubic meters and electric power generation 236.2 billion KWH's, respectively 3.2 and 9.8 percent more.

2. Problems:

(1) In budgetary terms, the production of state-run industrial enterprises registers an increase of 11.2 percent over that in the same period last year, but the profits so realized gain only 0.8 percent. The ratio of profits in production and in sales has dropped. As a result, business losses become heavier than those in the previous year.

(2) Increases in production are still by nature blind and chaotic. Increases of output from heavy industries tend to be low, and the structure of commodity supply and demand remains unbalanced and contradictory. Hence the efficiency of economy is by no means raised.

CONFIDENTIAL

DATE: August 5, 1987

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Chinese Communists Set Up "Youth Ideological Education Centre" to Promote Political Work in Schools

1. The so-called "Youth Ideological Education Centre" set up by the Chinese Communists on May 19, 1987 is attached to the Communist Youth League (CYL) and will receive instructions from the CCP Central Committee's Propaganda Department. Sung Teh-fu, first secretary of the CYL, has been appointed director of the Centre and Wang Chen, Sung Jen-ch'iung and Chou Ku-ch'eng its advisors.

2. The Centre is given the responsibility of studying and directing the ideological education of the youth. Hence, all the political instructors originally assigned to the senior educational institutions will hereafter listen to the Centre for instructions.

3. Prior to 1979, the Chinese Communists "governed the schools with party committee" under which political directors were appointed. Since 1979, the "vice president" has taken the place of party committee and all the political instructors will be responsible to him.

4. To match the establishment of the Centre the Chinese Communist State Education Commission has, by order, promoted the position of the political instructors to the status of professors (divided into three categories of lecturer, assistant professor and full professor on the basis of seniority) and in the meantime prescribed that there will be one political instructor for every 150 students.

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CONFIDENTIAL

DATE: July 23, 1987

EVALUATION: A - 2

SOURCE: Documentary Information

SUBJECT: Remarks Made by Peip'ing's Vice Minister of Finance On Enterprise Contract System

It was disclosed by Chinese Communist official sources on July 16 that in his speech on the subject of the so-called Enterprise Contract System at a recent "Financial Work Conference," Ch'ih Hai-pin, vice minister of Peip'ing's Ministry of Finance, pointed out that the emphasis for the implementation of this system is not only placed on the benefits of the "state" and the enterprises, but also on an adequate development of the enterprises' economic efficiency. He made the following comments on this subject:

1. All enterprises except those that fail to pay the required taxes to the government are entitled to sign contracts with the "state."

2. Those large and medium enterprises that make profits are encouraged to take the management responsible system in a variety of forms, while those that lose money in their management are required to minimize their losses and take a fixed amount of subsidies from the government in their signing of contracts with the "state." Under no circumstances will the "state" sign contracts only with those that make money and refuse to sign any contracts with others that lose money.

3. The amount of money that is determined for the enterprises to sign contracts with the "state" must be realistic. In general, it must be determined not too low or too high based upon the taxes paid by the enterprises in 1986, and their present performances plus a fixed amount of annual growth rate.

4. Those enterprises that make more profits than expected in the contracts are awarded in such a way that the more they make, the more they get. Those enterprises that fail to accomplish their contract missions are required to compensate the contracted goals of profits with their own capitals.

5. A two-line management method of income and expense must be taken. All contracted enterprises are obliged to pay due taxes according to established tax laws or regulations. The profits that are made through outstanding performances other than just accomplishment of the contract missions are calculated by financial agencies according to stipulations contained in the contracts and then given to the enterprises as their income.

6. All enterprises must observe the principle of renovation with their own capitals in the implementation of the management responsible system. However, the "central government" will provide financial subsidies to those provincial and municipal enterprises that have real difficulties for them to make renovations with their own capitals because of the low ratio of profits obtained from their management.

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DATE: July 29, 1987

EVALUATION: A - 2

SOURCE: Documentary Information

SUBJECT: Crackdown on Illegal Publishing Activities by Chinese Communists

The Chinese Communist "Media and Publications Office," "Ministry of Radio, Movies and Television," "Ministry of Culture," "State Administration of Industry and Commerce" and "Ministry of Public Security" jointly held a news conference on July 24, in which a campaign against illegal publishing activities was announced as follows:

1. Related story:

It was pointed out in the conference that illegal publications at the present time are not only numerous in category, abundant in quantity and wide-spreading in circulation, but publishers have also well established their underground networks of writing, printing and publishing all by themselves. The publishing methods recently used by the lawless elements are more skillful than ever before. In order to attain their purpose of timely publication, they usually resort to such methods as forging or stealing the names of legal publishers, or colluding with responsible officials of "state" agencies or even bribing them publicly with special favors. What they write in the publications also tends from stories of fight, cases of murder to acts of sexuality. The extent of their rampancy has been never seen in the past. Being influenced by these sexual, erodent and preposterous publications, most of the grade students on the Chinese mainland today are inclined to be listless in spirit, violent in discipline and careless in their studies. All of these lead to a tendency that juvenile delinquents commit crimes at a lower age with methods taken just as the adults do.

2. Measures taken by the authorities:

(1) Crackdown on unlicensed bookstalls and printing houses.

(2) Confiscation of illegal publications and illegal income on those individuals and establishments that print or sell illegal publications.

(3) Punishment of those licensed ones who conduct illegal publishing activities with such measures as warning, stop of business for reorganization, revoke of business license or even investigation of their criminal responsibilities.

Note:

A notification recently issued by the Chinese Communist "State Education Commission" specifies that:

1. Education agencies at all levels are required to make a complete investigation on the circulation, among students, of such books or publications that advocate cases of murder, acts of sexuality and superstition.

2. All schools are required to indoctrinate students with intensive but carefully selected ideological, political, moral and legal lessons in the light of their actual requirement.

3. All parents of students are required to cooperate with schools in a joint effort to guide their youngsters to read good books or publications.

CONFIDENTIAL

935/B

DATE: July 31, 1987

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Dispute Between North Korea and Chinese Communists Denied

The North Korean Embassy in Peip'ing openly denied on July 28 that there was a dispute over the economic cooperation between North Korea and the Chinese Communists when Kim Il Sung was visiting Peip'ing. Instead it stressed that Kim's visit was made at the invitation of both Chao Tzu-yang and Li Hsien-nien and was warmly received throughout and that both sides shared the same opinion on world issues and matters of common concerns.

Note:

It is believed that disputes did exist between Pyong-yang and Peip'ing over such matters as the economic cooperation, the frequent contacts between the Chinese Communists and South Korea and the Olympic Games to be held in Seoul, etc. when Kim Il Sung visited Peip'ing in the latter part of May 1987.

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DATE: August 13, 1987

SOURCE: Comprehensive Information

SUBJECT: Chinese Communists Celebrate 40th Anniversary of Inner Mongolian Autonomy

The Chinese Communists celebrated the 40th anniversary of Inner Mongolian autonomy on August 1, 1987. The activity reflected minority policy on the mainland today. An analysis may be summarized below:

1. Features of the celebration:

(1) A delegation headed by Vice President Ulanfu and member of the Party's Central Politburo Hsi Chung-hsun was sent by the Chinese Communists to express their goodwill to and concern over, the region. The delegates included ranking cadres of the party on military and nationalities affairs such as Ch'in Chi-wei, Yang Ching-jen, Pao Erh-han, Fei Hsiao-t'ung, Yen Ming-fu, and Ssu Ma-yi-Aimati. They stayed in Inner Mongolia for many days propagating the Peip'ing's policy. Also a sum of JMP2 million was given to the local government as a token of goodwill.

(2) The propagation stressed on cultural, political and economic equality of the Mongolian people with the Chinese and the use of both languages in local education as well as respect for Mongolian cultural tradition. They pointed out that the number of Mongolian cadres in the region had exceeded 21.8 percent, a number far exceeding the proportion of Mongolian population in the area. It was roughly the same with the regime's policy toward the Tibetan people, completely different from Chauvinism by Mao and his followers against minority peoples before.

2. Problems reflected:

(1) Difficulty in solving basic contradiction:

As leaders of the minority peoples are still objects of Peip'ing's united front to be won over by propagandas such as patriotism and political alliance, the attitude of the minorities to turn away from the regime is fairly obvious. The Tengist adopted special policy toward Tibetan and Mongolian peoples

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with soft measures and political concession in pursuit of pacification is, of course, better than Mao's Chauvinism. Yet in view of the members of the present delegation, especially Ulanfu and Ch'in Chi-wei, who are member of the Central Politburo in charge of united front operations and commander of the Peking military Region respectively, the Chinese Communists have never slackened their military efforts to control Inner Mongolia.

(2) Bad influence on the inland by loosening ties over the border areas:

Peip'ing's experience with the Inner Mongolian Autonomous District may be summed up as follows:

A. Persistence in the party's leadership.

B. Concentration on economic construction of the area.

C. Consolidation of the new pattern in building up better relationship with the minority peoples.

D. Upbringing of native cadres.

E. Practice of flexible, special economic policy. As the aforesaid points are very different from the regime's practice in other areas, bad influence may occur in inland China.

CONFIDENTIAL

DATE: August 12, 1987

SOURCE: Comprehensive Information

SUBJECT: Analysis of Second Round of Border Talks Between Chinese Communists and Soviet Union

Moscow's Vice Foreign Minister Rogachev and Peip'ing's Vice Foreign Minister Chien Ch'i-ch'en started their second round of border talks between the Chinese Communists and the Soviet Union. The following is an analysis thereof:

1. Key points of talks:

(1) Delimiting the eastern boundary and settling the islands ownership:

In his speech at Vladivostok on July 28, 1986, Gorbachev said that the main navigational channel could be taken as the "Sino"-Soviet boundary. However, no conclusion was made in this respect in the first round of border talks held on February 9 this year, except that it was agreed that delimitation of the boundary line should start from the eastern sector. It is therefore expected that the delimitation of boundary along the Armur (Heilungkiang) and Ussur Rivers as well as the settling of ownership of some 700 islands in these rivers would be the key points of discussion this time.

(2) Border trade and border troops:

When the Soviet Union withdrew a small number of troops from Outer Mongolia, the Chinese Communists said that it was not a withdrawal but a relief of garrison, indicating their distrust of the Kremlin. Thus, the question whether the Soviet troops will stay on the border or not would be another topic of the discussion. Next, the development of trade and exploration of mineral resources along the border also could be listed as major items of discussion on the agenda as both trade and resources are not only the means of substance both sides need but the means to help improve their bilateral relations.

2. Problems reflected:

(1) On the eve of the talks, the Chinese Communist foreign ministry issued a statement stressing that since the "Sino"-Soviet border dispute was a historic one, Peip'ing would be happy to settle it through diplomatic channel and on the basis of the existing unequal treaties. Moscow, in the meantime, also indicated its willingness to fix the boundary by the main navigational channel and to discuss the question concerning the ownership of the islands. Taken together, it would indicate that both sides have shown signs of compromise with a view to stabilizing the border situation and improving their bilateral relations.

(2) Since the border dispute is a historic one, coupled with the fact that it stretches over a distance of more than 7,000 kilometers, one would not expect it to be successfully resolved within a short period of time. However, so far as it does not involve a third party, it would be easier for them to get a compromise if compared to other issues. The one, which would be more difficult to get a solution, is indeed the question concerning the Vietnamese invasion of Kampuchea as the position of both sides differs diametrically on this issue.

(3) Both sides will capitalize this talks as a part of their diplomatic maneuvers to promote their political interests. Even it goes without substantive results, it would create different kinds of world speculation which both sides can explore to their best advantage.

3. Possible consequences:

(1) As far as the substantive relations are concerned:

As both the Chinese Communists and the Soviet Union need a "peaceful international environment" to advance their economic reforms, the border talks, no matter whether it makes headway or not, will help promote their border trade and joint exploration of the border resources, thus contributing to a longer period of their "peaceful coexistence."

(2) As far as the "normalization of relations" are concerned:

In view of the fact that Peip'ing needs the Western capital and technology to complete its 4 modernizations and that the "3-obstacles" to the normalization still remain, the chance for it to develop its political relations with Moscow would be limited even the latter would further give concessions in the talks. In spite of these implications, however, their attempt to seek compromise would after all help them reduce difference and increase collaboration, thus enabling them to continuously promote the "normalization of relations."

CONFIDENTIAL

DATE: August 10, 1987

EVALUATION: C - 3

SOURCE: Comprehensive Information

SUBJECT: Military Conflicts in Indochina Peninsula and Along Sino-Vietnamese Border

1. Along border between Chinese Communist regime and Vietnam:

(1) The Chinese Communists continued to exert military pressure on Vietnam and in March of this year, the Chinese Communists fired a total of more than 15,000 rounds of gun shells at an area of Ha Yuyen. In the meantime, the Chinese Communists despatched some small units to encroach on Vietnamese border provinces of Lang Son, Cau Bang and Quang Ninh but suffered a loss in an encounter with the Vietnamese troops, three soldiers were killed and five captured. The Vietnamese air force has since reinforced with MiG-21 planes in its reconnaissance along the Sino-Vietnamese borders. In the month of March, two MiG-21 planes encroached in the territorial sky of the Chinese mainland.

(2) In mid-May of this year, the Chinese Communists sent 50 military advisors to a Kampuchean anti-Vietnamese base in north mountain area of Siam Reap to assist Kampuchea in training anti-Vietnamese troops.

2. Along border between Kampuchea and Thailand

(1) After learning that the Coalition Government of Democratic Kampuchea (CGDK) was to despatch a large amount of troops to fight in the hinterland in raining season, the Vietnamese armed forces stationed along the Thai-Kampuchean border have tightened blockade against the CGDK's troops. One regiment of Vietnam's infantry which had been despatched to Kampong Thom to support the wiping out of the CGDK's troops were order to move to a base at the border close to Thailand. A mopping up operation against CGDK's troops was launched by Vietnamese army in Kampuchean border near Thailand's Long Haad and Pngnamron. Moreover, Vietnamese army in Kampuchea waged

another operation for a clean sweep of CGDK's troops in the areas of Thmar Puok and Phnom Srok and in Chongkal of Siam Reap province.

(2) At the junction of Kampuchean, Thai and Vietnamese borders, quite a few skirmishes were being carried on intermitantly. When Thailand sent its troops to drive out the Vietnamese soldiers who were constructing defense works at the No. 37 Height in Thailand, the Vietnamese army originally stationed at Kampuchean border near Thailand's Ta Phraya was ordered to launch a counter attack against the Thai troops. Fights between the Vietnamese 315th Division stationed in Kampuchea and the Thai army at Phu Tham Jia were being reported from time to time; the Vietnamese even used cannon in attacking Thai position. Ever since January 9, 1987, a total of 69 Thai soldiers have been killed in the border area and 543 injured. On May 3, Vietnam sent a large amount of soldiers, carried by 13 trucks, to reinforce the 315th Division.

3. Laos

The operation carried on by Laotian army for wiping out guerrillas in the area of Xieng Khouang was quite successfully. The Laotian authorities are planning to continue the mopping up operation in this area so that the activities against the regimes of Laos and Vietnam can be uprooted. Xieng Khouang is an important rear area where the Laotian army command is located.

CONFIDENTIAL

EXCHANGE OF INFORMATION
CONTENTS

September 1987

CONFIDENTIAL

CONFIDENTIAL

DATE: September 10, 1987

EVALUATION: C - 3

SOURCE: Intelligence Report

SUBJECT: Construction of Ultra-Modern Military/Civilian Airport on Hainan Island by Chinese Communists

Intelligence reports indicate that the Phoenix Airport on Hainan Island will be enlarged to include two parts, one for military use and another for civilian aviation.

1. The military airport:

In addition to employing engineer troop units to do the construction work, an initial fund of JMP 50 million has been appropriated for building military facilities in the airport which is expected to be built at a total cost of JMP 200 million.

Facilities to be built include:

(1) Landing and take-off runways for the most advanced aircraft;

(2) An emplacement-type ramp;

(3) An underground hangar;

(4) Ground-to-air guided missile launching sites;

(5) Long-range radar stations;

(6) Satellite signal receiving stations; and

(7) Microwave transmiting stations for military purposes.

2. The civilian airport:

Considerations are being taken to negotiate with foreign companies to provide both financial and material support in the construction of this airport which is designed and/or characterized by not building too luxurious passenger service facilities.

Other facilities to be built include:

(1) Runways;

(2) A large aviation freight station composed of warehouses;

(3) The most advanced airport navigation facilities; and

(4) A weather forecast station including radar, satellite signal receiving and electronics communication facilities.

It was learned that the Aviation Command of Peip'ing's South China Sea Fleet is scheduled to be stationed at the new military base on Hainan Island immediately upon its completion. Sources also said that a number of military personnel pending retirement from active duty under the Military Reduction Program in the Canton Military Region will be sent to Hainan Island to provide hard labor for the construction of the Phoenix Airport and to build a new military-established farm there upon completion of the airport.

CONFIDENTIAL

DATE: September 7, 1987

EVALUATION: A - 2

SOURCE: Documentary Information

SUBJECT: No Permission Given on Chinese Mainland to Recruit People Who Can Afford to Seek Advanced Studies Abroad at Their Own Expense

As revealed on September 4 by a Chinese Communist official, the State Education Commission and the Ministry of Public Security have jointly issued a notification forbidding anyone to recruit mainlanders who have the intention to seek advanced studies in a foreign country at their own expense. Main points of the notification:

1. No organizations and no individuals in the "People's Republic of China," unless they are approved by the State Education Commission to do so, shall run advertisements, establish recruiting agencies and start tests-related business for schools in a foreign country or in Hongkong and Macao.

2. Educational departments in the provinces, municipalities and autonomous regions are required to cooperate with local public-security units in checking up on and setting in order those organizations and individuals that have privately recruited students for foreign schools and arranged for their travelling abroad at their own expense.

Note:

In recent days there have appeared on the Chinese mainland many organizations which could supposedly help one go abroad as a student at his or her own expense. These organizations were actually money-grabbing traps to attract those mainlanders who were eager to go abroad for intellectual purposes.

CONFIDENTIAL

DATE: September 10, 1987

EVALUATION: C - 3

SOURCE: Intelligence Report

SUBJECT: Chinese Communists to Support Anti-government Organization in Southern Laos

The Chinese Communists are planning to assist the anti-government organization in Southern Laos and encourage the organization to cooperate with Pol Pot's troops of Kampuchea for setting up a joint commanding headquarters at the area of Laotian-Kampuchean border so as to consolidate and strengthen their military power to fight against the Laotian and Vietnamese governments. Details follow:

1. The Chinese Communists will provide the anti-government organization in southern Laos with arms and equipment as well as logistic supplies through Pol Pot's troops of Khmer Rouge on the condition that the said organization should strive for consolidation of all tribes in southern Laos and keep close relations with Pol Pot's troops.

2. The said organization should despatch its young cadres, men and women, to the appointed place for taking delivery of arms and equipment. After that, they should enter secretly to Laos and hide in the rear area. They can not stay at the border area between Thailand and Laos, nor can they come out and go into that area frequently.

3. The said organization and Pol Pot's troops should organize a joint commanding headquarters at the area of Laotian-Kampuchean border to conduct training and expand their military power so that they will be able to deal with the Vietnamese forces.

4. At the initial stage of cooperation, the Chinese Communists will provide arms, equipment, food and medicines to the said organization through Pol Pot's troops until the said organization is able to be autarky.

5. In joint operation against Vietnam, the troops of one side is allowed to move to the other's territory should they be unable to withstand in their own territory; the other side may also send troops to its partner's territory for emergency purpose as the situation warrants it.

6. The said organization is not allowed to discuss this matter with Thai authorities so as to avoid unnecessary troubles politically and militarily.

Note:

The Chinese Communists maintains an office of charge d'affaires in Vientiane. In May of this year the Chinese Communist charge d'affaires issued an invitation letter to Laos' national defense minister asking him to visit the Chinese mainland. As the Chinese Communists are facing threats of the Soviet Union in the north and that of Vietnam in the south, they have to adopt a dual tactics of splitting up while drawing in to deal with the countries in Indochina Peninsula.

CONFIDENTIAL

DATE: September 7, 1987

EVALUATION: A - 2

SOURCE: Documentary Information

SUBJECT: Moscow Plans to Exploit Resources with Peip'ing In Border Areas

Director of the Far East Institute of the Soviet Academy of Sciences Chitanenko disclosed on August 17 that Moscow was planning to build plants on the Chinese mainland near the border for finishing work on wood and cotton. Raw materials for said plants would be provided by the Soviet Union. Moreover, experts from both sides were also considering the possibility to build power plants on the Amur and Ussuri valleys as well as gigantic cooperation plans in the exploitation of natural resources. If the plan could be carried out, it would further promote economic relationship between the two regimes.

Notes:

1. The afore-mentioned cooperation plan will undoubtedly help to improve diplomatic relations between Peip'ing and Moscow as well as exploitation of natural resources in Manchuria and Siberia.

2. Peip'ing and Moscow set up a Sino-Russian Border Committee in February this year planning to cooperate in the exploitation of resources around the border area.

CONFIDENTIAL

DATE: September 1, 1987

EVALUATION: C - 3

SOURCE: Intelligence Report

SUBJECT: Nicaragua Procures F-7 Fighter Planes from Chinese Communists

The Nicaraguan government, in the light of recent U.S. equipment of the Honduran Air Force with more advanced jet fighters, plans to procure from the Chinese Communists F-7 combat aircraft that are priced approximately three times cheaper than that of Soviet-made MiG-21's. Procurement personnel have been sent to Peip'ing for discussions on this matter.

It was also learned that the Chinese Communists will also provide Nicaragua with a US$10-million worth of material support, including farm machines, chemical fertilizers, chemical raw materials and water pump machines.

Notes:

1. The United States has sold an undisclosed number of F-5 fighter planes to Honduras to replace its obsolete ones.

2. We would appreciate receiving your supplementary information and comments on this subject matter.

CONFIDENTIAL

DATE: September 8, 1987

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Soviet Advisers to Linger on Indefinitely in Large Numbers in Cuba

The Cuban general Rafael Delpino Dias who defected not long ago to the United States revealed in late August that there are about 2,500 Russians working at the Cuban intelligence center, 3,000 Soviet troops in the motorized infantry brigade and 2,500 Russian advisers working elsewhere.

Notes:

1. The Soviet Union sent a host of advisers to stay in Cuba indefinitely largely because it wants to expand its influence in Latin America and keep a watch over the United States.

2. Please furnish us with more information on this along with your opinion.

CONFIDENTIAL

DATE: September 2, 1987

SOURCE: Comprehensive Information

SUBJECT: Analysis of Chinese Communist Conscription Work In 1987

The Chinese Communist State Council and the Central Military Commission jointly held a "National Telephone Conference on the Conscription Work" on August 22, 1987, and at the same time promulgated a "Conscription Decree for 1987," calling for improved quality and quantity so as to accomplish this year's conscription mission. An analysis in this regard is given below:

1. Characteristics:

(1) Prerequisites of draftees:

A. Ideological thinking:

Loyal to both the Chinese Communist Party and Socialism.

B. Education:

High school graduates other than primary school ones or illiterates.

C. Physical fitness:

Up to the standard of "Physical Conditions of Draftees" described by the Ministry of Defense in August 1986 with special emphasis placed on the draftee's height, weight, blood pressure, liver functioning, eyesight and IQ test.

(2) Process of the conscription:

The conscription work in this year is required to be done in strict observance of established rules, regulations or principles. All recruits drafted must meet the required standard. Anyone who is found to be sub-standard will be returned to where he is drafted, and the one together with whose superior who violates rules or accepts bribes to draft him will be severely punished.

Furthermore, all service-age young people must report for conscription to the places whereat they are residing, and nobody is allowed to request for military service by removing his domicile residence to the border areas of Yunnan and Kwangsi.

2. Problems reflected:

(1) The quality of recruits still poor:

Modernization of the "People's Liberation Army" (PLA) requires young people who are better educated. Since most of the youth in the rural area usually do not receive much education, it is hard for the PLA to satisfy its demand for recruits to be high school graduates unless the soldiers-to-be are drafted from big cities.

(2) Declined willingness for military service:

PLA soldiers in the past were offered many privileges, such as admission to the Communist Party/Youth League, promotion to be cadres or provision of government arranged work after their retirement. The situation has much changed now. Present PLA soldiers have no chance to be promoted to cadres unless they get diplomas from military schools. They are also required at the time of their retirement to "go where they come from." Furthermore, Peip'ing's "open-door" policy also has an adverse influence on the willingness of young people for military service. In view of the fact that the emphasis of this year's conscription is placed on ideological thinking, it is not hard to find that the willingness to be recruited for military service among the young people on Chinese mainland today is much lower than ever before.

(3) Irregularities rampant in the process of conscription:

The PLA is a big force which requires millions of people just for the replacement of soldiers each year. Local government cadres in charge of the conscription work are well-known for their corruptive activities. It is, therefore, inevitable that irregularities will be rampant in the process of conscription this year.

3. Summing-up:

The Peip'ing regime promulgated its "Military

Service Law" in 1984 which was revised to the "Enforcement Statute for the Conscription of Draftees" the following year. Although a system for military service has been established for more than two years, it is still hard to achieve the target of "having good soldiers" because of the unwillingness to be drafted for military service among the young people on the Chinese mainland in recent years coupled with the accustomed irregularities on the part of the conscription cadres. At the present time, the quality of recruits is not expected to satisfy the requirements of the so-called military modernization. However, what merits our attention is that the Chinese Communists have placed emphasis on the enhancement of the recruits' qualities and improvement of the conscription process which, in the long run, will be helpful to the strengthening of the PLA's combat preparedness no matter when it builds up its reservist force in peacetime or expedites its mobilization work in wartime.

DATE: September 14, 1987

SOURCE: Comprehensive Information

SUBJECT: Philippine Communists and the Philippine Political Situation

1. The Philippine domestic situation:

(1) Another military coup jolted the Philippines on August 28. The coup was staged by the ultraright Colonel Honasan, ex-defense minister and now senator Juan Ponce Enrile's able henchman. Though the coup was quickly quelled by government troops, there are unmistakable signs that discontent has seriously eroded the Philippine army and the country has potential danger to fear in coming days.

(2) On the very day immediately following the coup, the National Democratic Front led by the Philippine Communists made an announcement saying that the Front would mount a series of attacks on military targets in the Philippines, and that the chaos following the coup was "the best opportunity we have ever had in 18 years to mount attacks." "The intensification of the revolutionary war and people's struggles is the right response," added the announcement, "and it's time for us to make the best of the internal contradictions in the reactionary camp." This is testimony to the fact that the Philippine Communists are expanding their armed rebellion by taking advantage of the political turmoil in the country. The so-called National Democratic Front was established by the Philippine Communists in 1973 and its purpose is to win over all anti-government groups in the Philippines so they can act as one to topple the government and seize power. On the surface the Front is composed of all Opposition factions, yet in reality it is controlled by the Philippine Communists.

(3) Meanwhile, the Moro National Liberation Front, a Moslem organization with an insurgent force of 15,000 or thereabouts deployed on Mindanao and some southern islands, also announced on September 3 that it saluted the latest coup and would support the rebel soldiers in joint actions to "defeat our common enemy -- the Philippine government." The Moro organization is a separatist one, but often acts in unison with

the Philippine Communists.

(4) As estimated by the Philippine government on September 3, since the military coup on last Friday, at least 46 persons had got killed during the attack launched by the Philippine Communist guerrillas and at least 30 of them -- soldiers and policemen -- were killed during the latest 24 hours. On August 29, 14 of the sentries posted near Davao in southern Philippines died during an assault by soldiers of the New People's Army; then on September 2, a 28-man army patrol was ambushed by about 200 New People's Army soldiers when it was patrolling at a village in the province of Quezon 80 kilometers east of Manila, and the casualty suffered by the patrol included 21 dead and 5 wounded.

2. **Comment:**

(1) The Philippine Communists have wreaked havoc on the Philippines for as long as half a century. In earlier days their insurgent activity was confined to the mountainous area of central Luzon; after its establishment in the late '60s, the New People's Army, following the example of the Chinese Communists, adopted the guerrilla tactic called "encircling the cities from the rural areas," gradually expanded its sphere of activity to cover central and southern Philippines, and finally made their way from the rural areas to the cities where, assisted by its front organizations, it staged a wide variety of anti-government terrorist activity including processions, demonstrations, kidnappings, explosions and murders. In February 1986, Corazon Aquino was placed at the helm; in order to bring peace to the country and stabilize the political situation so that the government could devote itself to economic reconstruction to defuse the economic crisis, she adopted a policy of leniency toward the Philippine Communists: in addition to the release of a multitude of the jailed Philippine Communists, the Philippine government also negotiated a 60-day cease-fire accord with the Philippine Communists on December 10 of the same year. The Philippine Communists, however, still carried on their insurgent activity even during the cease-fire period.

(2) There was word that during the cease-fire the Soviet Union had secretly shipped large quantities of cash and weapons (including Russian-made AK-47 rifles) to the Philippine Communists to help increase their combat capability. Thus, after the expiration of the cease-fire on February 10, 1987, the

Corazon administration was forced to re-start its attacks on the Philippine Communists and meanwhile took two measures: First, the Philippine government will award all-inclusive amnesty to those insurgents who surrender in the 6 months beginning on February 28, 1987 and will not incriminate them for what they have done before their surrender; second, the Philippine government will pay 10,000 pesos for a single M-16 automatic rifle automatically handed in by a surrendered insurgent. Though the two measures have produced some effects, the problem is far from completely solved.

(3) The latest report is that in the one and a half years since Corazon became the chief executive of the Philippines the New People's Army has swollen into a force of 30,000 or thereabouts and 40 percent of the rural areas have been controlled by the Philippine Communists and 20 percent of the urban population has been affected by the Communist influence. The strength of the New People's Army is thus not to be dismissed with a shrug. There have also been rumors that 80 Soviet advisers have been training the Philippine Communists and providing them with special knowledge of counter-intelligence activity. The most amazing of the rumors is, however, that in the parliamentary election held on May 11 this year at least 20 pro-government House representatives and 5 senators were elected thanks to the secret support extended secretly to them by the Philippine Communists. Though this rumor has yet to be proved true, clearly the Philippine government staff is by no means completely loyal.

(4) The major reason why the Philippine Communists have enjoyed a daily rising strength is that the Philippine government has been indecisive and inconsistent in its policy to deal with the rebels; since the operations to wipe out the Communists have never been thorough, the Communists have been able to nurture their strength and grow into a threatening force. The Corazon administration is facing threat from intensified Communist insurgent activity, from the clamorous Moro Liberation Front, and from the undercurrents of discontent in the army. If the Philippine government is still reluctant to take quick actions to wipe out the Communist rebels, the future of the country is anything but bright.

Azarbaijani. This indicates that the Russians play an absoutely leading role since they hold nearly two third of the membership in the Politburo.

2. Characteristic reflected:

(1) The oldest member (Gromyko) in the Politburo is 78 years old and the youngest (Gorbachev) is 56 with an average age of 64 which is a little younger compared with that of 67.4 during the Andropov era.

(2) The new appointments made by Gorbachev to the Politburo are mostly specialists with higher educational backgrounds and are all opposed to dogmatism. They have full confidence in the outcome of Gorbachev's current reform policy, and are persistent and aggressive in taking active actions for its successful implementation.

(3) In addition to Gorbachev who is a member of the Politburo and also secretary of the Secretariat, there are other five people, including Ligachev, who also have this status of dual capacity. This arrangement not only concentrates the ruling power in one apparatus to facilitate the implementation of policies, but also helps maintain the stability of the Soviet hierarchy through the balance of power among multiple factions.

3. Possible developments:

(1) Gorbachev has greatly increased his ruling power since he made three new appointments, including Yakovlev, to the Politburo in late June 1987. However, he is still faced in the Politburo with resistance generated by such people as Ligachev, the No. 2 man in the Soviet hierarchy, who strongly opposes any radical reform activities. Therefore, Gorbachev intends to weaken Ligachev's power by promoting Yakovlev to an even higher position, or even have him replaced by Yakovlev in the future. In addition, Gorbachev will continue his effort to assign younger people to all leading agencies to facilitiate an overall implementation of his reform policy, and at the same time fulfill his mission of "Transition of Generations."

(2) Gorbachev is also expected to make continued effort to promote his three major tasks: Glasnost policy, socialist democratization and implementation of economic reform that is predicted

DATE: September 2, 1987

SOURCE: Comprehensive Information

SUBJECT: Size-up of Soviet Policy Trends as Viewed from Power Structure of CPSU's Politburo

The CPSU's Politburo of the Central Committee is a nerve center wherefrom control powers are exercised by the ruling hierarchy. Another Soviet apparatus, the Secretariat of its Central Committee, in which Gorbachev gains an upper hand at the present time is the place for him to carry out his reforms. However, a number of resistance forces that still exist in the Politburo may constitute a blockade in the implementation of his policies in the future. An analysis in this regard is made as follows:

1. Structural composition:

(1) Appointements decided upon:

Among the 14 full members of the Politburo, 8 were introduced into this senior institution after Gorbachev got his political power. However, there are still 3 members who gained their membership in the Andalov era and 2 members in the Brezhnev era. Although the Politburo is composed of "three generations" in appearance, Gorbachev has, in reality, held sway over it.

(2) Backgrounds of Politburo members:

At present, Politburo members who are college graduates majoring in law and literature are outnumbered by those who performed either financial or basic works in the party or the Communist Youth League after their graduation from colleges or universitieis in the fields of physics and engineering. There are also three members who did spy works in the past. The military is seen to have been demeaned since it holds only one candidate membership in the powerful Politburo now.

(3) Nationalities of Politburo members:

Among the 14 members, 9 are Russians, 2 are Ukrainians and one each is a Biel Russian, a Georgian and a

to get some results in a short period of time. During the 19th Party Congress scheduled to be held in June 1988, Gorbachev will make good use of this opportunity to wipe out any resistance that is detrimental to his reform effort by making a sweeping reshuffle of members of the Central Committee. Then, he will go a step further to establish his administrative objectives for an overall reform that may eventually help him realize his ambitious concept of entering into the "Gorbachev Era." However, what merits our attention is that it will surely be a crucial test for him whether he is able to realize what he wishes in his mind to have all the obstacles removed without encountering any difficulties.

CONFIDENTIAL

DATE: August 24, 1987

EVALUATION: B - 2

SOURCE: Comprehensive Information

SUBJECT: Chinese Communists Push for Presence of Younger Cadres and for Democratic Evaluation

The Chinese Communists have of late made effort to enforce the policy of making the ranks of cadres look younger and also experimented with the system of "democratic evaluation" or evaluation by the masses. Official sources revealed that a million senior cadres have retired and half a million middle-aged and young cadres have joined various power-vested government agencies. The policy of using younger cadres is nothing new, as measures taken to enforce it already existed soon after the third plenum of the 11th Central Committee. The so-called democratic evaluation, however, is a novel experiment and those covered by it include cadres working at and above the county level. Related details are as follows:

1. At the 6th plenum of the 11th Central Committee in 1981 the Chinese Communists voted to abolish what was practically a permanent-appointment system for cadres in leading positions and resolved that under the premise of upholding the revolutionary aims progressive steps must be taken to let younger, well-educated and professional people assume leading positions. In 1982 the Communists established the system making it imperative for aging cadres either to leave or retire and ruled that provincial leading public functionaries and those in leading positions in various departments of the central government be not aged over 65 and their deputies, be not aged over 60.

2. In recent years, more than a million aging cadres have either left their posts or retired and half a million middle-aged and young people have assumed leading positions at the county level or above. Up to the end of 1986 the average ages of leading cadres at the provincial, prefecture and county levels had dropped respectively from 62, 56 and 49 in 1982 to 53, 49 and 44.

3. Democratic evaluation of leading cadres was started in the winter of 1986 and carried on into this spring.

The results: Of those cadres who served at the prefecture and county levels across the mainland, 16 percent were found by the masses to have done satisfactory work, 78 percent were found to be competent or basically competent, and 6 percent incompetent. From November 1986 on, the masses in Szech'uan province were asked to evaluate cadres working at the county level and above; they recommended more than 9,000 to party organizations and 463 of them were appointed to leading positions at the county level, 161 got either demoted or dismissed; wages were also readjusted according to the promotion or demotion. Recently, the Ministry of Urban and Rural Construction Environmental Protection has also conducted a democratic evaluation of the cadres working with it and the results were that 90 percent and upwards were considered competent or basically competent, 21 were cited, 12 were thought to be incompetent, and 10 were transferred to other jobs. The criteria used in the evaluation were work performance, the level of policy, policy-making and the spirit of reform and innovation.

4. The Chinese Communists say that they will encourage in stages qualitative competitions among cadres to replace the "natural transition" in the aging process of cadres. They also say that they will quicken the process of making the ranks of cadres look young through the present appointments based on examination results, the appointment system based on merits and the contract system.

Note:

The Chinese Communist cadre policy has always been in keeping with the party's internal struggles over the line of a given policy. The so-called "democratic evaluation, though an "open-door" way to give points cadres' performance, can still be used by one faction to get rid of the elements of the other hostile faction. During the Cultural Revolution, Mao Tse-tung used the "open-door party purge" to rid the party of the Liu Shao-ch'i and Teng Hsiao-p'ing factions, and now it is the reformists that use the "open-door evaluation of cadres" to rid the party of the conservatives. As the 13th Party Congress is drawing nearer and nearer, such democratic evaluations are bound to become more and more in number.

DATE: August 27, 1987

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Measures Taken by Chinese Communists to Force Prices Down

It was officially disclosed that the Chinese Communists have taken extraordinary measures to force the rising prices down in the city of Peip'ing.

1. General situation:

Following the second half of the year, prices for retail goods have gone up even more rapidly. According to statistics, during the first half of the year, prices in general have already risen 6.3 percent in comparison with those of last year's. The case now has gotten worse, especially in larger cities.

2. Causes for the rise:

(1) Grain production has failed in reaching the fixed target. This in turn has stimulated general demand for provisions.

(2) The prices for raw materials including imported ones have rised.

(3) The reform measures failed to form a complete set. Deficiency in management and control of responsible authorities has caused chaotic state of rising prices in certain trades.

(4) Some enterprise units and individual businesses have raised prices for undue profits by taking advantage of present shortage in supply.

3. Measures taken:

(1) Prices for retail goods and public utilities in larger cities are not allowed to rise during the second half of the year.

(2) Maintaining steady prices for secondary supplies.

(3) Exercising rigid control over industrial products in open market depending on the need of real situation.

(4) Strengthening supervision and control over prices and inflicting heavy punishment to prevent undue profits from illegal business.

DATE: August 27, 1987

EVALUATION: A - 1

SOURCE: Documentary Information

SUBJECT: Second Round of Border Talks Between Peip'ing and Moscow

It was learned that the second round of border talks between the Chinese Communists and the Soviet Union was held in Peip'ing on August 7-21, 1987. Moscow's deputy foreign minister Logachev, the Soviet chief delegate, went back home on the very day the meeting was ended. At the conclusion of the meeting, the two sides issued a joint communique which was composed of the following key points:

1. During the course of their conversations, the two sides discussed the problem of the eastern section along the Sino-Soviet border. It was agreed that the problem would be properly solved in accordance with the existing treaties concerning the Sino-Soviet border and in observance of related principles that are commonly applied to the determination of a border. That is to say that the center line of the navigation route would be considered a border for a river that is navigable; and the center line of a river or the center line of the main current would be determined as the border for a river on which navigation is impossible.

2. The two sides also agreed that delegations from both regimes would continue their discussions on the border problem. In addition, they have also decided to set up a working team composed of experts to discuss detailed matters concerning the whole eastern border.

3. The atmosphere of the talks was calm and pragmatic. Both sides recognized that the meeting helped promote mutual understanding that facilitates an early solution of the border problem.

DATE: August 27, 1987

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Morphine Manufactories Found by Burmese Government In Areas Occupied by Rebel Forces

The Burmese National Spectacles Daily disclosed on June 10 and July 15 that the Burmese national defense forces launched a mopping-up operation against the Kachin rebels in northern Burma on May 22. The surprise attack has taken the command post of defense minister Zau Mai of the rebel forces of May 26 and the commanding headquarters of president Srang Seng on May 29 in the rear base. There were 43 battles between the government troops and Kachin rebels. In the course of these campaigns, the government troops have seized from the rebels guns, ammunition, communication equipment as well as medical facilities aided by the Chinese Communists. What was more suprising to all was the discovery of morphine manufactories with ample quantity of raw opium and heroin in Burmese territory. The said drugs were printed "I Fan Feng Shun" on the pack, Chinese characters roughly equivalent to the French "bon vayage" in meaning, and used "Double Lions" or "The Globe" as trade marks repsectively.

Notes:

1. The Chinese Communists have used the aforesaid trade marks for opium and heroin produced in Yunnan to be sold to South East Asia and other parts of the world for a long time.

2. As the climate and soil in the northern part of Burma bordering the Chinese mainland are good for plantation of poppy, the Chinese Communists have rendered technical support to the Kachin rebels in the production of said drugs in large quantity and built morphine manufactories in northern Burma since 1980. Drug manufactories have been set up in areas around commanding headquarters of the rebel forces since 1986.

CONFIDENTIAL

DATE: August 27, 1987

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Japan and Mongolia Held Second Joint Economic Conference in August

Japan and Mongolia held second joint economic conference in the ministry of foreign trade in Mongolia on August 13 this year. The opinions of both sides may be summarized as follows:

1. The Mongolian chief delegate has shown satisfaction in his opening speech concerning past economic cooperation and expected expansion in sci-tech cooperation as well as improvement of maintenance and after-sale service of Japanese imports.

2. The head of Japanese delegation has expressed his hope to enlarge the quantity of trade to balance present Japan's unfavorable balance of trade. He also expected Mongolia to provide Japanese tourists with better facilities.

3. The Mongolian minister of foreign trade showed his satisfaction regarding cultural, political, and economic cooperation in the past since the establishment of diplomatic relations between Mongolia and Japan 15 years ago. As both have agreed to strengthen said relations in the future following Mongolian foreign minister's visit to Japan this year, he looked forward to the enhancement of economic and sci-tech cooperation.

4. The Japanese ambassador to Mongolia said that Japan would expanding economic relations with more nations of the world therefore economic cooperation with Mongolia has always been a target of its effort. He placed high hopes on the expansion of bilateral trade which could be beneficial to both.

The two sides signed a protocol after the conference, agreeing on:

1. Maintaining a fixed growth rate in trade.

2. Enhancing economic and trade relations.

3. Discussing the possibility of running joint ventures.

4. The third joint conference will be held in Tokyo.

Note:

The first Japanese-Mongolian joint economic conference was held in Ulan Bator, Mongolia, in December 1980.

DATE: August 17, 1987

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Philippine Congress Expresses Concern over Foreign Loans

According to an intelligence report from the Philippines, the Philippine Senate and the House of Representatives have jointly decided to look into the problem of the country's foreign loans which amounted to US$28,000,000,000. The report said the Philippines will likely take the following measures in relation to repayment:

1. Repaying the loans one by one as the country's financial condition may permit;

2. Refusing to repay those loans which the Marcos Administration borrowed not for the benefit of the people;

3. Stopping the payment of interests;

4. Asking the creditor sides to give the most favorable treatment for repayment; and

5. Making joint efforts with other major debtors in negotiation with the creditors.

Note:

On July 27, Philippine President Corazon C. Aquino expressed her opinion against 438 foreign creditor banks for demanding the Philippines to sign agreement with them for settlement of the loans under unfair and unjust terms.

DATE: August 27, 1987

EVALUATION: C - 3

SOURCE: Documentary Information

SUBJECT: Iranian Terrorists Reported to Have Three Secret Hideouts in West Germany

It was reported that Iranian terrorists have established three hideouts in West Germany. Following is a brief account:

1. The three hideouts are in Hamburg, Cologne and Munich of which the one in Cologne is the biggest.

2. Wahid Gordji, a notorious terrorist who played a major role in a series of unpleasant events which led to the severance of diplomatic ties between Iran and France, has undergone training in Cologne and received a special fund of DM1,000,000.

3. As the property invested by the late Shah Reza Shah Pahlavi in West Germany is now inherited by the present Iranian government, the Iranian diplomats and students in West Germany have been given due courtesy by the German government.

Note:

As Wahid Gordji, an interpreter of the Iranian Embassy in Paris, who was reportedly involved a series of explosive cases in Paris last year, refused to be present before the Franch police for investigation, the Paris police authorities ordered policemen to blockade the Iranian Embassy with an intention of forcing the Iranian Embassy to turn over the interpreter. However, the Iranian government took a counter action to charge French diplomatic personnel in Iran for engaging in illegal espionage activities. Moreover, the Iranian government protested French policemen for violating international conventions by assaulting Iranian diplomatic personnel. Eventually, these unpleasant events led to the severance of diplomatic ties between the two countries.

DATE: August 18, 1987

SOURCE: Comprehensive Information

SUBJECT: An Analysis of Peip'ing's Summing-up of the Special Features of Its Economic Restructuring In the Past Eight Years

Brief Summary:

1. While making ready in an energetic way for the 13th Party Congress, the Chinese Communists have recently also summed up their experience with the economic reform. Though they declared that the reform had somewhat been fruitful, they also admitted that the party's and society's power to sustain the reform is not strong enough to meet the demands of reform, and that, as theories lag behind realities, it is difficult to control the relationship between reform and development. The reform policy remains clearly one fraught with contradictions.

2. While on the one hand the Tengists try to justify the soundness of their policies through the display of the fruit of reform and on the other they take pains to quote Marxist-Leninist theories in proving

that "the essence of socialism" remains unchanged, they have from first to last been afraid to face the basic dilemma of reform: the incursion into the interests of the privileged class in the party; in the theoretical entanglement the Tengists are obviously placed in a passive position. Quite likely, problems derived from the economic reform will continue to exist even after the 13th Party Congress.

Commentary and Analysis:

As a sort of warm-up for the 13th Party Congress, the Chinese Communists have, through the media, summed up on various occasions the "achievements" of their economic reform in the past 8 years; for one thing, they say that the essence of their socialism has not at all changed, and for another, they say that they have really breathed life into the economy. The economic reform is surely something the continuation of which the Tengists will encourage at the 13th Party Congress and what they have done in the area of publicity so far is only to set the stage for what is to come at the congress.

1. The totality of the related situation:

According to the Tengists, the overall purpose of their reform is to "revive the economy on the domestic front and open the doors of the Chinese mainland to the outside world on the diplomatic front." The measures to revive the economy are taken to match the activities of "the socialist planned commodity economy" and designed hopefully to effectuate reforms in the four major areas of "production, circulation, distribution and consumption." In rural areas, the

family is seen as "the micro-scope cell" of the collective economy so as to give more vitality to this kind of economy; meanwhile, there are exploratory effects to establish the three major markets respectively of "capital, the labor force and production materials," and to use marketing mechanics to set in motion the transition of the old into the new system. In foreign trade, in addition to the establishment of special economic zones and the opening up of coastal cities and ports, there is also emphasis on the inducement of foreign capital and technology and the expansion of the mainland's overseas markets.

2. Problems on examination:

(1) The complaint that the party's and society's power to sustain the reform is not big enough to meet the demands of reform:

According to the Tengists, the mainlanders have only an imperfect knowledge of the long time span, complicacy and arduousness of the reform; the reform measures "may have adverse side effects on the economic environment and the planners of reform are not circumspect in the consideration of this;" and there is also the fear that the reform will inevitably

oscillate and be circuitous and lead to a crisis of the people's confidence. Such forms of distrust will simply detract from the outcome of the economic reform.

(2) The great difficulty of coordinating reform and development:

The Tengists attempt to use reform to speed up the economic development and also use the economic development to prove the soundness of the reform policy. However, as both reform and development can have great social impact, it would be difficult to take up one of the two, let alone to take up both simultaneously since the two would certainly interact against each other in an unpleasant way. Furthermore, as the Chinese Communists insist that reform be possible only on the condition that the four cardinal principles are not violated, they are literally putting themselves in irons and making all operations inoperative.

(3) The conundrum that reform outstrips the theories that support it:

The economic restructuring launched by the Tengists has given rise to the resurgence of "unsocialist economy;" as a result, the conservative left condemns this as "a deviation from orthodox

communism," while the right demands that there be more "unsocialist elements" in the reform. As the Tengists have only lagging theories to support their reform, they have the hard question of coping with both the left and the right.

3. Potential development:

In summing up their experience with the economic reform, the Tengists take the credit for what is thought good and blame everything else that is considered bad on others. This is what the Tengists have been used to doing. Under such circumstances, since they think that they have already crossed the Rubicon, they will try to use the 13th Party Congress to their advantage, break through barriers and continue to get along with their economic reform.

Reference Data:

1. The Economic Daily, June 4, 1987.

2. The Economic Daily, June 6, 1987.

CARP. 135B

135/B ENLACE DE CHINA INTERNACIONAL

ENTRE LOS Nos

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CONFIDNETIAL

DATE: October 8, 1986

SOURCE: Comprehensive Information

SUBJECT: Analysis of Soviet Intention to Form Joint Enterprise With Free World Countries

The Soviet Union has invited the United States, Japan, France, Canada, West Germany and Austria to form a joint enterprise and set up a special agency to deal with this matter. This unprecedented move, which would change the outlook of a closed society, has drawn attention of the Free World. The following is an analysis thereof:

1. Background factors:

(1) To coordinate the strategic need for economic reform:

The 27th Congress of the Communist Party of the Soviet Union has decided to make further economic reform, assuming that one of the major steps to attain the medium and long range economic goals is to change the external economic policy and expand the external economic activities.

(2) To relieve the economic stringency as a result of the shrinking of the foreign exchange:

The Soviet foreign debts have risen to a staggering figure of US$28.6 billion. Besides, there are some other problems as well; decline of agricultural products for years in a row, massive drop of oil price, sluggish sale of arms, etc. Thus, to form a joint enterprise with the Free World countries is the best and effective way to fill up the coffers.

(3) To cope with the development of international economic situation:

Enticed by the achievement the Chinese Communists have made through the adoption of "open-door" policy and "economic special zones" and influenced by the actual benefits the East European countries have reaped through the capitalization of the Western economy, the Soviet Union therefore has adopted this

measure so as to lessen the pressure brought upon it by both Pei-p'ing and the East European countries.

2. Main purposes:

(1) By means of this joint enterprise with the United States, Japan, France, West Germany, Canada and Austria, the Soviet Union can bring in foreign capital as well as scientific technology it needs to improve its present stagnant economy and people's livelihood and, in addition, accelerate its deveolpment of Siberia.

(2) By adopting this measure the Soviet Union can induce Western enterprises to exert pressure on the United States and force it to concede: thereupon sowing discord in the Western camp, curtailing NATO strength and loosening vigilance of Western countries against it.

3. Summarized analysis:

(1) The Soviet Union would hereafter make certain appropriate adjustment of its economic structure in order to carry out the economic reform; it would adopt a limited open-door policy and possibly speed up the establishment of the "free economic zone" in its Far Eastern coastal region and, on the other hand, press the Council for Mutual Economic Assistance to open up new relations with the European Economic Community. If this policy is to succeed, it may inevitably touch off a fierce economic battle between the Soviet Union and the United States.

(2) It is also possible that this move taken by the Soviet Union to improve its economy may lead to a gradual development of economic cooperation between the East and the West; thereupon softening the political stalemate hitherto existing between the Soviet Union and the Free World. On the other hand, however, should the Soviets over-rely upon Western investments in the process of pushing through the economic reform, not only its economic weakness would be entirely exposed to the West but its culture, ideology and lifestyle would be influenced by the West. By then, an internal line struggle and possibly a political turmoil may ensue.

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CONFIDENTIAL

DATE: November 13, 1986

SOURCE: Comprehensive Information

SUBJECT: Trends of Current Soviet Foreign Trade Policy

The Soviet Union adopted certain new measures lately, indicating its wish to enhance economic cooperation with other countries in order to help advance its economic and trade reforms. This policy tendency is particularly noteworthy, of which analysis is made as follows:

1. Policy tendency:

(1) Re-adjustment of international trade relations and transference of foreign capital and technology:

The Soviet Union announced lately the establishment of a "State Commission on Foreign Economic Affairs" to supervise all international economic and trade organizations, and starting January 1 of 1987, twenty ministries and departments as well as seventy enterprise units are authorized to make spontaneous contacts with western countries or enterprises dealing with import-export business, cooperation in science, technology and production, and initiation of joint ventures, all with a view to inviting foreign capital and technology.

(2) Affiliation with world economic organizations and expansion of economic and trade activities:

The economic reforms promoted by Gorbachev are aimed at marching into the world market through energetic participation in international economic and trade activities. Important measures taken include application for participation in multi-lateral trade talks of the General Agreement on Triffs and Trade in an observer's capacity, participation in the Pacific Economic Cooperation Council also in an observer's capacity, as well as indication of Soviet interest in affiliation with the International Monetary Fund and the World Bank.

2. Principal intentions:

(1) Breakthrough of current economic stalemate:

The fall of international oil prices in recent years has resulted in diminishing revenues from oil and natural gas for the Soviet Union. Besides, arms sales have sluggish, and farm crops have decreased over the years to the extent of necesitating urgent imports of grains and foodstuffs. This accounts for the deficit of foreign reserves and heavy foreign debts, and explains Moscow's hectic moves toward joint ventures and encouraging foreign investments so as to make up for unbalanced payments of foreign currencies to tackle the economic stalemate.

(2) Smooth completion of the new Five-year Economic Development Plan:

Following the Peip'ing regime's open-door trade policy and measures like economic special zones, the Soviet Union is also inviting foreign capitals and technology to spur its domestic economic development and improve the people's livelihood, in order to achieve the intermediate objectives and demands envisaged in its twelfth Five-year Economic Development Plan.

(3) Creation of images of peace and pragmatism:

Along with its diplomatic peace overtures "in pursuit of international peaceful environment," the Soviet Union is intent on creating images of "peace" and "pragmatism" through enhancement of international trade relations. It is offering new trade markets to woo foreign countries and widen its sphere of influence, while the United States is riding on the tidal waves of trade protectionism amid the world uneasiness.

3. Possible consequences:

(1) As far as internal situation is concerned:

The Soviet Union has a different economic system from that of western powers. If Moscow determines to strengthen its export competitiveness so as to improve its economic conditions, it would have to reform its present system, which is mainly hinged on the heavy industry of national defense at the present time, and invest an enormous amount of capital in the procurement of appropriate machinery and equipment for manufacturing products of fine quality. This would involve a change of systems and would hardly meet with the approval of the military and the conservative forces. An internal conflict might be the

consequence. In the wake of the expanded foreign trade relations, the Soviet people would be further exposed to the western influence of culture, ideology and way of life, which might create social and ideological problems and end up too costly for the Kremlin. The present situation on the Chinese mainland is an example.

(2) As far as foreign relations is concerned:

If the Soviet Union persists in its open-door trade policy with foreign countries, the improvement of trade relations could be reflected and echoed likewise in its relations with the western countries in other fields. This would be brought to bear positively on Moscow's current diplomatic peace overtures, and might help attain its diplomatic objectives.

735/B

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CONFIDENTIAL

DATE: November 5, 1986

EVALUATION: C - 3

SOURCE: Intelligence Report

SUBJECT: Soviet Union Trying to Enhance Its Relations with Heng Samrin Regime

1. The Soviet relations with the Heng Samrin regime are getting warmer recently. Exchange visits of military delegations between the two sides have frequently been made. Three years ago (1983), there were about 28 Soviet military advisors in Cambodia but now the number has been increased 500 scattering in Cambodian troops to direct and instruct military training and weapon operation.

2. Being deeply apprehensive to this situation, Vietnam keeps a close watch for the activities of the military advisors from Moscow and the Soviet aid; however, Russian influence on Cambodia is still difficult to be stopped.

3. Ever since an "Economic and Technological Cooperation Agreement" was inked in April 1984, the Soviet Union may directly supply military material to the Heng Samrin regime. It is learned that recently Moscow has supplied Pnom-Penh with Russian made high speed hydrofoil patrol boats of Juliet class and river patrol craft of Shmel class.

4. Admiral Nikolay I. Smirnov, commander in chief of the Soviet Fleet, heading a military delegation for a visit to Pnom-Penh on June 18, 1986, made a proposal for using Kompong Som on lease as a Soviet naval base.

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CONFIDENTIAL

DATE: June 25, 1986

SOURCE: Comprehensive Information

SUBJECT: Keynote Speech by Gorbachev at Recent Plenum of CPSU's Central Committee

On June 16, 1986 the Communist Party of the Soviet Union convened the first plenum of its central committee after the 27th party congress. The keynote speech made by Mikhail Gorbachev at the plenum on internal and external Soviet policies had drawn much of the attention of the world. The following is a timely analysis of Gorbachev's speech:

1. Cardinal points:

(1) Reforms:

Gorbachev claimed with pride that after the 27th party congress in 1986 the Soviet Union had gained strong momentum in its political and economic areas and shown remarkable progress; however, he admitted that the tempo of reform was still slow and the party organization's economic analysis could not reflect the change of the overall situation because it dwelt only on achievements but bypassed defects.

(2) Priorities in the Five-year Plan:

According to Gorbachev, the priorities in the 12th Five-year Plan (1986-90) are: redoubled efforts to develop new equipment, an increase in the production of heavy industries and in the production of consumer goods, the implementation of intensive production, and the maintenance of substantial defense power.

(3) Disarmament proposals:

The proposals, among others, are:

A. In the 15 years to come Moscow and Washington continue to stick with anti-missile treaties.

B. America's "Star Wars" plan be limited to laboratory activities or, in other words, stay at the present level

it has reached.

C. Strategic arms be so defined as to exclude intermediate missiles.

2. Problems to ponder:

(1) After his rise to the top Gorbachev quickly set out to push his political and economic reforms by replacing a host of cadres and launching a rectification campaign. Though there had been progress of sorts made, obviously Gorbachev still failed to achieve his desired objectives. What all this meant was that conservative forces were still in the way and professional education had not been carried on in keeping with the reforms. The shortcomings of the Soviet system are, in a word, not to be removed within a short time.

(2) On the diplomatic front Gorbachev tried hard to sell his version of the ways to slow down the arms race and ease the tense international situation; however, in the past 15 months his efforts in this respect had simply been stick-in-the-mud. Part of the reason for this is the military brass's disaffection with him, which has placed him in an embarrassing situation. Thus in recent days he has been busy making changes in the lineup of the Soviet Union's foreign service, hoping that Soviet diplomats can function more satisfactorily and, in keeping with the domestic situation, follow through the country's foreign policy.

3. Recapitulation:

(1) On the domestic front Gorbachev will henceforth lead the Soviet Union in the following directions:

First, the country will keep on pushing its economic reforms by adopting such measures as the shift of cadres at the middle and lower levels, the removal of obstacles in the way of the reforms, an overall thorough reform of intermediate and higher professional education, and a crackdown on economic crime and corruption; Second, to meet the expectations of the people and also under their pressure, the Soviet Union will probably lessen its control to a certain degree on ideological and cultural matters and the appointment immediately after the plenum of Demichev as the minister of culture could be interpreted as a foreshadowing of this tendency; Third, the Soviet Union will reiterate its resolve to

develop nuclear energy; it is expected that by 1990 the nuclear energy in the Soviet Union will be twice as much as it is now and constitute 20 percent of the country's total energy sources. All told, in short-range terms the Soviet Union will enjoy moderate economic growth, but in long-range terms there are still many hurdles to leap over before the country can see the fulfilment of all its desired objectives.

(2) On the diplomatic front the Soviet Union will proceed with its peace offensive, seek after its aims in arms limitation, and make an effort to win over, in this order, Western Europe, the Asian/Pacific area and the Middle East. It will also modify its means of diplomacy by depending less on strong arm than on political and economic approaches and do its best to make its diplomatic maneuvers flexible and practical. On the other hand, though because of the concessions made in them the Soviet Union's arms reduction proposals have gradually won the support of the West, yet due to the existence of certain differences in the standpoints of the Soviet Union and the West plus the long-term distrust between the United States and the Soviet Union and Reagan's hard-line attitude, there seems hardly any possibility in the nearest future of a breakthrough in arms reduction and arms limitation problems.

CONFIDENTIAL

DATE: January 6, 1987

SOURCE: Comprehensive Information

SUBJECT: Simultaneous Resignation of Vietnam's Three Top Leaders

Vietnam's top three leaders Truong Chinh, Pham Van Dong and Le Duc Tho resigned when the Communist party's 6th congress was held in Hanoi on December 15-18, 1986. Their simultaneous resignation will likely have a decisive impact on Hanoi's future policies. Detailed analysis follow:

1. Highlights of party congress:

(1) In the capacity of party general secretary, Truong Chinh delivered opening address by saying that policy blunders committed by top leadership have aggravated economic and social problems. In remedying the situation, he called for a nation-wide campaign to purify work style of the party in addition to policy modification and reforms. In the conduct of foreign relations, he stressed the need of maintaining a pro-Soviet policy and consolidating the strategic alliance among the three Indochinese states. Also, Truong Chinh expressed Vietnam's willingness to hold any level of talks with Peip'ing in a bid to achieve "normalization of relations."

(2) In a massive top leadership reshuffle, Party General Secretary Truong Chinh, Prime Minister Pham Van Dong and senior Politburo member Le Duc Tho simultaneously stepped down due to age and illness. The party congress also elected a 14-member politburo, in which 5 are new faces.

(3) At the congress, the Communist Party of the Soviet Union was represented by Regachev, who reiterated the close cooperation between Moscow and Hanoi and called on Vietnam to seek better relations with the Chinese Communists. Regachev told a press conference that the development of Peip'ing-Moscow ties will contribute to the "normalization of relations" between the Chinese Communists and Vietnam. He also assured Hanoi of increasing Soviet aid in the next five years.

2. Problems reflected:

(1) Signs of tension created by intra-party struggle:

Early before, factional fighting had been reported between conservatives and reformists. In July 1986 Truong Chinh won election as Vietnamese Communist leader replacing the late Le Duan. Since then rumors have circulated that Truong Chinh serves only as a transitional figure. The resignation en masse of Vietnam's three top leaders and the reformist Nguyen Van Linh's taking over as new head of the Vietnamese Communist Party signifies the result of compromise reached between the two factions. Also, the massive leadership reshuffle is aimed at pushing economic reforms by absorbing more reformed minded people in the top leadership.

(2) Social and economic problems to be resolved:

Vietnamese military occupation of Cambodia has not only caused Hanoi to incur a heavy burden of military expenditure, but also plunged the regime into international isolation. Since its economic problems were aggravated by the lack of foreign investment, Vietnam has to survive on Soviet economic aid. In spite of economic reforms introduced in August 1985, few gains have been achieved due to human errors and irrational system. On the other hand, corruption among party cadres and officials has resulted in a degeneration of virtues and lifestyle.

3. Summing-up:

(1) Based on the outcome of Vietnamese Communist Party's 6th Congress, Hanoi is likely to keep pace with Soviet "peace overture" by implementing massive reforms and seeking better ties with the Chinese Communists as well as the ASEAN countries.

(2) Internally, the new ruling hierarchy would likely proceed with various reforms, revamping of leadership groups at all levels and increasing of agricultural production, while it is pushing rectification campaign. But the move is likely to meet resistance from local mid-level cadres.

(3) Externally, the new leadership will stress

the importance of close cooperation between Moscow and Hanoi, and come up with a "smiling diplomacy" in response to the Soviet "peace overture" in an effort to ease international tension. In dealing with Kampuchean issue, the new leadership is inclined to seek a peaceful settlement; but it would never relax its control over the Laos and Cambodia. Although Vietnamese military occupation of Cambodia remains a thorny issue between Vietnam and the Chinese Communists, Hanoi would encourage Peip'ing to open dialogue with Cambodia so as to eliminate difference, thereby bringing about a Peip'ing-Hanoi rapprochement.

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Nº 004

735/B

DATE: January 14, 1987

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Manila May Let Soviet Ships Use Repair Facilities

Vice Foreign Minister Letitia Shahani of the Philippines revealed on January 6 that his government may allow Soviet ships to use repair facilities in the Philippines but the yard, if to be made available, must be far away from America's military bases in the country.

Shahani said that the Soviet Union had asked the Philippine government for permission of access in case of emergency to a shipyard some 60 miles to the south of the Subic Bay U.S. naval base. He added that this request was not granted but permission may be given in the future for the Soviets to use facilities at the Cebu habor 300 miles to the south of the Subic Bay.

Notes:

1. Reports are that U.S. Navy sources have expressed concern over the Soviet desire to have its ships enter harbors of the Luzon Island. The Philippine government had earlier considered Moscow's proposal that use of repair docks be taken up as part of the plan to expand economic relations between the two countries. The Americans expressed dissatisfaction, saying that the Soviet Union was using its merchant fleets to enhance its military strength.

2. In view of the Chinese Communist opening of a consulate in Cebu, the Soviets in December 1986 officially requested the Philippine Foreign Ministry to let them expand their embassy staff size in Manila and set up a consulate in Cebu.

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Japan

 Nº007.

135/B

DATE: January 8, 1987

SOURCE: Comprehensive Information

SUBJECT: Analysis of Japan's Breakthrough of 1 Percent Military Spending

In an ad hoc meeting held at the prime minister's official residence in Tokyo on December 30, 1986 the Japanese cabinet unanimously passed a resolution to abandon the policy of limiting military spending to a ceiling of 1 percent of the gross national product. Under the proposed budget, military outlays for the fiscal year beginning April 1, 1987 would rise by about US$1.3 billion, to about US$21.5 billion, the equivalent of 1.004 percent of the GNP. The following is an analysis thereof:

1. Background of the breakthrough:

(1) During his past 4 years of office, Prime Minister Yasuhiro Nakasone struggled hard to win approval for a breakthrough of the military spending, which has been set at 1 percent of the GNP since 1976. However, because of different limitations, he did not succeed. It was not until his Liberal Democratic Party won a landslide election in last July and he was retained as the Prime Minister for another year, he was finally able to make the breakthrough.

(2) With both the Soviet Union and the Chinese Communists increasing their naval strength in the western Pacific region lately, it is imperative for Japan to make pre-cautionary measures in order to protect its life line, the western Pacific sea lanes.

(3) While still suffering huge trade imbalance with Japan year in, year out, the United States exerted increasing pressure on Japan to ask it to shoulder more of the defense budget in order to reduce its own defense expenses.

(4) After a period of 41 years the Japanese people have forgotten the tragic lessons caused by the "militarism" in World War II. Instead, the "neo-nationalism" is on the rise. Coupled with the islanders' traditional mind of expansion, the

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Japanese people start to think that the best way to safeguard their long-term political and economic interests and the national security is boost the military power.

2. Significances shown:

(1) The policy of limiting the defense budget to the ceiling of 1 percent of the GNP has been short-lived as its abandonment came only 10 years after it was established in February, 1976. This would indicate that in order to become a big political power, Japan would have to break up this limit first.

(2) To Japan, the removal of the ceiling would render more flexibility to the change of circumstances. This would indicate that Japan has re-defined the idea of defense and special attention will be given to the development as well as deployment of the naval and air forces in terms of the time and space.

3. Trend of development:

(1) As a result of the breakthrough of the defense budget ceiling, it is expected that the 5-year plan drafted by the Japanese Defense Department to boost the military spending can be accomplished as scheduled. In this case, Japan not only will be able to raise its self-defense power but can play even a more important role within the U.S. global strategic framework.

(2) Japan's gradual strengthening of the defense power has greatly enhanced the combat of its naval and air forces. Its conception of defense is also like to be changed from "defensive" to "offensive" nature. By then, backed by the military power, Japan will accelerate its footsteps to march from the big economic power toward the big political power and finally the big military power.

4. Possible consequences:

(1) Despite the limitations set in its "non-belligerent" constitution, Japan's gradual strengthening of the defense power should help maintain the regional security. Because, as an anti-communist country, Japan will hereafter shoulder part of the defense responsibility of the United States. This not only will help maintain the regional stability but will produce the function of restricting the expansion of the communist power.

(2) In view of the fact that most of the Asian and Pacific nations are still apprehensive of Japan's past aggression, it is possible that Japan will hereafter reinforce its political and economic cooperation with these nations in order to remove the negative effects thus produced. In the meantime, it is probable that South Korea would seek further opportunities to get into contact with the Soviet Union and the Chinese Communists while the ASEAN countries would step up their cooperation with Moscow and Peip'ing in order to check the expansion of Japan's militarism.

(3) The increase of Japan's defense power may affect the improvement of its relations with the Soviet Union. On the other hand, the Soviet Union will continue to enhance its military deployments in the Far East and will possibly consolidate its ties with North Korea and Vietnam. However, Moscow will not abandon its hope to improve its existing relations with Peip'ing and Tokyo for the sake of avoiding a possible establishment of a trilateral defense alignment between the United States, Japan and the Chinese Communists.

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Nº 008.

DATE: January 8, 1987

SOURCE: Comprehensive Information

SUBJECT: Analysis of Soviet Economic Reform in Past Year

The 27th CPSU's Congress met in February 1986 in which "The Strategic Plan of Speeding Up the Development of Socialist Economy" was passed. It called for a thorough change of the national economy by increasing the scientific and technological achievement and renovating the existing economic structure. The economic reform then immediately went under way in order to coordinate the implementation of the 12th 5-year economic plan. The following is an analysis thereof:

1. Special characteristics of the reform:

(1) Formulation of basic plan:

It included the expansion of enterprise autonomy, enabling it to operate wholly on its own — raising of capital, risking loss or profit and self-determination in management; the determination of workers' income by their work performance and efficiency; the extension of autonomous nature of the collective and national farms and the legalization of individual labor, etc.

(2) Expansion of external economic relations:

It called for improvement of foreign trade policy by encouraging foreign businessmen to come and make investment so as to relieve the heavy pressure of foreign debts on the one hand and signing long-term economic agreement and joint economic committee with foreign countries and sponsoring international trade show in order to explore external economic opportunities on the other.

(3) Speed-up scientific and technological development:

Emphasis was made that the time to rely upon massive exploitation of the economic resources (such as

raw material and fuel) had been over and the key point to boost the economic power was not that of expanding the industrial department but that of ceaselessly increasing the scientific and technological achievement so as to improve the existing industrial facilities. In order to attain this goal, a comprehensive survey is being conducted and a series of specific measures taken in the Soviet Union at the present time.

2. Problems reflected:

(1) Reform is out of the actual need:

Because of the lack of invigoration in the Soviet economic system, not only the last three 5-year economic plans have failed to meet the projected goal but the growth of the national income has dropped to the lowest point in the post-war period. As frankly admitted by Gorbachev, "the problems accrued have exceeded the problems to be resolved in the national development," and "inertia and the lack of flexibility to run the management have brought not a few damages to the enterprise."

(2) Ideological conciousness is yet to be overcome:

Although the Soviet economic reform tends to adopt the system of free management, the prerequisite is that it does not affect the status quo of the central bureaucracy of the party. Therefore, while self-management is promoted in the factories and enterprises on the one hand, but efforts are made to concentrate power in the party central on the other. In the meantime, it has been announced that "the economic reform will not abandon the system of socialist ownership" and that "politics should take precedence over economics; other than this, all kinds of views will run counter to the principle of Marxism." As such, it can be seen that ideological consciousness is not easy to be overcome and the internal resistance force is still great.

(3) Part of the reform bears fruit:

As a result of making rectification of the party discipline and improvement in the method of management, the industrial growth rate and labor productivity in the year were able to hit the target as expected, being the best year in

the 80s. Others like the food and oil production were also reportedly increased. All of these signs can serve as encouragement and propaganda to the Soviet economic reform.

3. Analysis:

(1) The Soviet Communists have tried the economic reform more than once since they came to power, but no significant result has ever been achieved except Lenin's "New Economic Policy." The recent economic reform brought forward by Gorbachev has met even more problems, such as the difficulty to drastically change the current economic system as well as its structure, the lack of the will of production and the sense of responsibility in the enterprises and the conflict between the economic investment and the arms development, etc. All of these problems do need a solution.

(2) Since assuming power, Gorbachev has called for the "speed-up of economic and social development," among which the economic reform was listed as the first and foremost task. He also emphasized the need for an "international peaceful environment" to reduce the military expenditures so that he could pour all the important resources into the economic development. Whether this policy is to be successful or not, it will concern not only the future of the Soviet Union but the power of Gorbachev. Therefore, it is believed that in the course of the economic reform, the Soviet Union will adopt a more flexible foreign policy to temporarily moderate the tension arising from its confrontation with the West.

Fichaje Importante Corea del Norte

CONFIDENTIAL

N°003

135/p

DATE: January 9, 1987

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Personnel Reshuffle of Pyongyang's Top Leadership
remoción

1. In a major personnel reshuffle, the Central Committee of "Korean Workers' Party" held its 12th Plenum on December 27, 1986 to elect I Geun-mo and Hong Seng-nam as members of politburo. como miembros del Politburo

2. At the first session of the 8th Supreme People's Congress held on December 29, 1986, Kim Il-sung was re-elected North Korea's President. The Congress session also approved the appointment of I Geun-mo as prime minister to succeed Kang Sung-san who has been elected to the Party Central Secretariat. This is Kim Il-sung's 3rd 5-year term as North Korea's chief of state since he was first elected to that top leadership post in 1972.

3. The newly-appointed premier I Geun-mo, whose age and birth place remain unknown is one of Kim Il-sung's protégés. His brief introduction is as follows:

— Appointed director of organization department of "Korean Workers' Party" (KWP) in 1952;

— Elected alternate member of KWP Central Committee in September 1961;

— Appointed deputy director of heavy industry department under KWP in January 1963;

— Appointed director of machinery industry department under KWP in 1964;

— Elected member of Supreme People's Assembly since 1967;

— Appointed director of culture and propaganda department under KWP in November 1967;

CONFIDENTIAL

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* Appointed minister of 2nd machinery industry in July 1968;

* Elected member of KWP Central Committee in November 1970;

* Elected member of North Korea's Central People's Council in December 1972;

* Appointed vice premier in September 1973;

* Elected alternate member to KWP Central Politburo in October 1980;

* Appointed executive secretary of Nampo (a special municipality under direct jurisdiction of the central government) municipal party committee since 1980;

* Elected alternate member to Party Central Politburo and served concurrently as secretary of the Central Secretariat in February 1986; and

* Elected regular member to Party Central Politburo in December 1986.

4. Pyongyang's top leadership reshuffle is the first personnel change since the rumored death of Kim Il-sung. But instead of being kicked out of power nucleus as some people expected, O Jin U who was a crucial figure in the disproved coup and has not been seen in public since July 11, was re-elected one of the four members of the party standing politburo with his name trailing immediately behind Kim Il-sung and Kim Jong-il. This serves to show that O Jin U's influence within Pyongyang's ruling hierarchy still should not be ignored. In spite of losing his premiership, Kang Sung-san remains powerful due to his being admitted into the Party Central Secretariat. Before he became premier, I Geun-mo had been executive secretary of the municipal party committee at the port city of Nampo facing the Chinese mainland. On December 2, 1986 Soviet Army and Naval political commissar A.D. Lizichev paid a visit to Nampo and was received by Kim Il-sung on December 4 for "amicable talks," which could possibly lead to I Geun-mo's new appointment.

5. Additionally, the Supreme People's Assembly of North Korea has approved the "3rd Seven-year Economic Plan" (1987-1993), which calls for stepping up fuel, power and steel production, increasing grain output, accelerating light industry development and further improvement of people's living condition. The congress also endorsed the creation of a "Ministry of Nuclear Power Industry" to be headed by Choi Hag-gun. The creation of this ministry is in line with an agreement reached between Gorbachev and Kim Il-sung. Under the agreement, Moscow promised to help Pyongyang set up a nuclear power station.

In view of the above, the Soviet Union seems to have succeeded in seeking closer association with North Korea by alienating the latter with the Chinese Communists. Also, Pyongyang's gradual shift to pro-Soviet tilt is an undisputed fact. However, the Chinese Communists and North Korea were comrades in arms in the 1950 Korea War; and some pro-Peip'ing leaders including O Jin U are still in power. Therefore, an open split between the Chinese Communists and North Korea is unlikely to emerge for the time being.

CONFIDENTIAL

DATE: January 27, 1987

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: US$170 Billion Spent by Soviet Union on Strategic Defense

An equivalent of more than 320 billion German marks (about US$170 billion) has been spent in the past 10 years by the Soviet Union on the building of a strategic defense system, according to a West German military specialist.

Weimur (transliteration) of West Germany's ruling Christian Democratic Union also gave these points recently:

1. The anti-missile air defense system built by the Soviets is quite an extensive one, including at least 1,200 bases with a total of more than 12,000 ground-to-air missile launching devices, 10,000 air defense radars, and over 1,200 interceptors for strategic missions.

2. The Moscow area has an impenetrable defense network against missile attacks. This includes underground command facilities capable of accommodating 180,000 personnel.

3. The Soviet Union is continuing its concentrated effort for further expansion of its air defense system against bombers and cruise missiles.

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N° 005

DATE: January 6, 1987

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: Frequent Communist Spy Ship Activities off Chile

Reports are that Soviet and Cuban ships have been active recently about 80 miles off Chile's Pacific coast and that many of those boats, ostensibly engaged in fishing, are on scouting service and also transporting arms and supplies to Communist guerrillas.

Earlier the Chilean authorities uncovered a very sizable hidden cache with weapons and supplies smuggled in by sea.

Request:

Comments and additional information regarding this matter will be appreciated.

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DATE: January 23, 1987

EVALUATION: C - 3

SOURCE: Intelligence Report

SUBJECT: Recent Soviet Arms Aid to Vietnamese in Kampuchea

It has been learned that late in November 1986 the Soviet Union gave a shipment of military hardware in aid, including three mobile UHF radar units, to the Vietnamese troops in Kampuchea and the radar units are already operating at three Kampuchean points — Ban Nimitr, Tamor Pook, and Sisuphan — near the Thai border for the jamming of Thai military radar operation as well as guidance of Vietnamese missiles.

Note:

The Thai military's communications units at Buri Ram and Prachin Buri have reported signal interference.

CONFIDENTIAL

DATE: April 22, 1987

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Vietnam to Launch Second Economic Reform to Arrest Its Worsening Economy

The core of the Vietnamese Communist Party called a plenum lasting from April 1 to 9 in which a series of urgent problems touching the area of distribution and circulation were discussed. After the meeting a press communique was published to reveal the main contents of the meeting:

1. Since the introduction in 1985 of a reform program to deal with price, wages and the national currency, the Vietnamese sector of distribution and circulation had steadily deteriorated and seriously affected production, management and social life. The main cause of the plight was attributed to "the long maintenance of the system of 'Centralized Control and Comprehensive Monopoly (CCCM),'" a system contrary to objective laws.

2. The solutions consisted of the abolition of the CCCM in favor of a "systematic calculation of economic factors." The system was designed to reduce deficits, curb the speed of price hikes, stop the random issuance of banknotes and expand economic cooperations with other countries including the Soviet Union.

3. The communique listed the series of decisions at the second Central Committee plenum to relax policies toward the peasants, individuals, collective economy, employees' sidelines and national circulation of commodities. There would also be a wage reform in the future, said the Vietnamese Communists.

Note:

Information available indicates that since the conclusion of the 6th National Congress of the Vietnamese Communist Party in December 1986 Vietnam has seen a runaway inflation. Soaring prices, now two to three times higher, have brought hardship to most Vietnamese people.

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CONFIDENTIAL

DATE: April 29, 1987

EVALUATION: B - 2

SOURCE: Comprehensive Information

SUBJECT: Manila Lacks Master Plan to Deal with Problem Of Communist Insurgency

1. Communist insurgency in the Philippines at the present stage:

(1) Most high-ranking government officials in the Philippines have no profound knowledge of the communist insurgents and are therefore divergent in their opinions regarding the ways to quell them. In a word, the Philippine government lacks a master plan in this regard.

(2) As the civilian government is harping on such slogans as "the protection of democracy," "the protection of human rights" and "national reconciliation," military actions against the communists remain totally passive.

(3) Before the revolution in February the communist New People's Army was manned by 16,000, but now a conservative estimate put the number at 24,000. Furthermore, this army is also seeking for foreign aid.

2. An estimate of government combat forces in the Philippines:

(1) The ground force is now 80,000 strong, the constabulary, 60,000, the navy, 20,000 and the air force, 17,000. All told, the total manpower of the armed forces is 177,000.

(2) The armed forces are faction-ridden, hamstrung by loose discipline and devoid of a rallying point and of solidarity.

(3) The post-revolution lowered position assigned to the military has resulted in the ascent of resentment among the military.

-01 .02

3. U.S. attitude toward the communist insurgency problem in the Philippines:

(1) The United States still assumes a "wait and see" attitude, paying only lip service to its promise to send military and economic aid to the Philippines.

(2) So far, what the United States has given the Philippine government were only a small number of medical supplies; it was only recently that ten fighter helicopters from the United States had arrived in the Philippines.

(3) The U.S. Department of State and CIA are usually divided in U.S. policies toward friendly countries, but both are unanimous in their unfavorable reactions toward the Philippine government's ineffectual stand against the communist insurgents.

Note:

The Philippine Chief of Staff delivered a speech on April 25 highlighting the serious threat posed by the communist insurgents. His speech can be summed up in three points:

1. The insurgency problem is becoming serious from day to day. If the country still fails to stand united, the communists can threaten to sweep the whole country into their hands.

2. In the countryside a fairly large number of the people are supporters of the communists; as a result, the communists have maintained a solid political organization backed even by some of the clergy.

3. The overthrow of the Aquino government is the common goal of both the communists and the Moro rebels.

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135/B

DATE: January 23, 1986

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: International Communist Front Organizations Versus Free World

1. The Soviet foreign policy is so designed as to first maintain its strong and powerful position in the international community and then use every favorable moment to advance the world revolution for finally communizing the world. In order to attain these goals, the Communist front organizations are thus born.

2. The Communist front organizations always pose and act like the "neutral bodies." The fact, however, is that they take instructions from the International Department of the Central Committee of the Soviet Communist Party.

3. The working slogan of the Communist front organizations runs like this: A non-Communist professor willing to advance the Soviet interests is better than 100 party members doing the same job. The principle of instigation is not only to instigate and exercise influence among the masses but make the masses think that the instigator is not a Communist.

4. Communist front organizations include the Communist International, the pro-Soviet Communist Parties of various countries, agencies of Warsaw Pact and COMECON member nations, etc. with the International Department of the Central Committee of the Soviet Communist Party exercising the overall control. The names of the major Communist front organizations are given in the attached table.

5. The strategies used by the Communist front organizations are as follows:

(1) On the national level:

It rests on organizing demonstration,

petition, strike etc. Sometime it employs subversive means and other anti-government activities in order communize the target country.

(2) On the international level:

It aims at alienating the relations of the world free nations and the heads of states and then sow discord between them thus knocking them out one after another.

(3) On the global level:

It takes advantage of the instability of the Third World to produce international problems, such as expanding the unsatisfied emotion of the Third World towards the West and glorifying the suppressed peoples like the Palestinians as the valiant fighters, so as to facilitate its goal of communizing the world.

6. The major tasks of the Communist front organizations can be summarized as follows:

(1) To defame Reagan's "Star Wars" program,

(2) To sow discord between the United States and Western Europe,

(3) To push on the Soviet peaceful united front offensive and

(4) To win over the Third World so as to strengthen the Soviet influence.

Attachment

Names of the Communist Front Organizations

1. World Federation of Trade Unions with headquarter in Prague, capital of Czechoslovakia.
2. World Peace Council with headquarter in Helsinki, capital of Finland.
3. World Federation of Democratic Youth with headquarter in Budapest, capital of Hungary.
4. Women's International Democratic Federation with headquarter in East Berlin, capital of East Germany.
5. International Union of Students with headquarter in Prague.
6. Christian Peace Conference with headquarter in Prague.
7. International Organization of Journalists with headquarter in Prague.
8. International Radio and Television Organization with headquarter in Prague.
9. International Association of Democratic Lawyers with headquarter in Brussels, capital of Belgium.
10. World Federation of Scientific Workers with headquarter in London.
11. International Federation of Resistance Movement with headquarter in Geneva.
12. International Peace Academy with headquarter in Geneva.

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EXCHANGE OF INFORMATION
CONTENTS

May 1987

CONFIDENTIAL

DATE: May 13, 1987

EVALUATION: A - 1

SOURCE: Documentary Information

SUBJECT: Chinese Communists Lay out Guidelines for Anti-bourgeois Liberalism Struggle

The Chinese Communist theoretical journal Red Flag carried in its 7th issue a commentator's article entitled "Persist in the Sound and Lasting Anti-bourgeois Liberalism," stressing the need of grasping well the following four major tasks:

1. Cadres at all levels are urged to study the revised edition of Teng Hsiao-p'ing's books entitled "Building Socialism with Chinese Characteristics" and "Persist in the Four Cardinal Principles and Oppose Bourgeois Liberalism."

2. Newspapers and magazines are warned against misleading the public.

3. Publish a series of articles expounding the Four Cardinal Principles and criticizing bourgeois liberalism.

4. Lay emphasis on publicity on "building socialism with Chinese characteristics," and persist in two basic points:

(1) Persistence in the Four Cardinal Principles; and

(2) Persistence in reforms, open-door policy and enlivening domestic economy.

DATE: May 4, 1987

EVALUATION: B - 2

SOURCE: Intelligence Report

SUBJECT: More Than 200 Workers Killed and Injured in Demonstration by Chankiang Police

According to an intelligence report, in order to exploit the oil in South Sea, the Chinese Communists invited foreign businessmen to jointly establish the "South Sea Oil Company" in 1981 at Chankiang of Kwangtung province with a working force of some three thousand men. After a thorough 5-year survey, however, it was found not worth the effort to make the exploitation within the next 15 years. Thus, the foreign capitals were hastily withdrawn. As a result, Peip'ing's Ministry of Petroleum Industry ordered the subject company to be shut and the workers resettled by January 25 this year. During the period of resettlement, more than 300 workers, who originally came from the "Overseas Chinese Farm" at Hsuwen county, were sent back to the farm. Disgruntled as they were, they staged a rally on the street asking for re-allocation of work. Owing to outbreak of their emotion, which went beyong the control of the police, the armed forces were called in to subdue them. Amid the firing ensued 11 of them were killed and more than 250 injured. Of this incident not a word was reported in the local papers. Now, it is learned that this incident is being handled by the authorities concerned of Kwangtung.

Note:

The unemployment population on the Chinese mainland was said in excess of 20 millions originally. Owing to recent suppression of the over-expanded local industries coupled with the implementation of one-million armed forces reduction, the situation of unemployment has become even more acute now.

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EVALUATION: B - 2

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CONFIDENTIAL

DATE: May 5, 1987

EVALUATION: A - 2

SOURCE: Intelligence Report

SUBJECT: Peip'ing to Hold Liaison Meeting for Communist Parties Of Southeast Asian Countries Later This Year

It was learned that Chu Liang, chief of CCP's International Liaison Department, said when he received Samirono, Representative of the Indonesian Communist Party in Peip'ing, in March this year that"the CCP is always sympathetic with, and willing to provide support to, the current struggling hard communist parties of the Southeast Asian countries. This sympathy and support will not be impaired by our open door policy and reforms. On the contrary, it will be strengthened as our socialist modernizations program has achieved results. As comrade Teng Hsiao-p'ing once said, 'The more we achieved from reconstruction the better our obligation will be.' This is what we are striving for. It is possible that because of the actual difficulty we may not have worked out well at a certain stage or regarding a certain aspect, but the policy of supporting our brotherly parties shall remain unchanged. This, we believe, will be understood by our brotherly parties. There is a long history of mutual support and learning between the Chinese Communist Party and the communist parties of the Southeast Asian countries. This kind of link will not be broken but more strengthened in the time to come. Our brotherly friendship must be experienced through actual adversity and common destiny. There is no difference whether the country is big or small; so is the party. This is the consistant policy of the Chinese Communist Party. The current international situation has now become more advantageous to world peace in general and socialism in particular than any other time in the past. Thus, other than the bilateral talks and mutual exchange of opinions and support, there is perhaps a positive function if a regional communist party liaison conference could be held or the regional communist party leaders could get together under a given condition and in accordance with the development of the situation and the aspiration of our brotherly parties."

In the meantime, Chu disclosed that the liaison conference of the Southeast Asian communist parties will be held in the latter half of this year, of which the preparational work is already under way.

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DATE: May 11, 1987

EVALUATION: A - 2

SOURCE: Documentary Information

SUBJECT: Chinese Communists and Czechoslovakia Continue to Shore Up Their Relations

In the wake of Czech Prime Minister Lubomir Strougal's visit to Peip'ing, the Chinese Communists and Czechoslovakia have definitely made a giant stride toward the firming of their relations. Strougal's visit to Peip'ing was significant because he is the first Czech government chief ever to visit the Chinese mainland since the Peip'ing-Prague relations went sour in the '60s, and also the second Czech prime minister ever to visit Peip'ing since Viliam Siroky was there in March 1957.

Strougal released a written statement to a Hsinhua Newsagency correspondent in Prague on April 20 just before his departure for the Chinese mainland. "Our relationship with China is one of our most important relationships with Asian countries," said Strougal, "and I must say the period of misunderstanding that once briefly appeared between Czechoslovakia and China is now gone forever." Continued he, "We shall renew our cooperation and see an interflow of the most precious experiences and outcome the peoples of the two countries have created as such things will greatly help with the socialist career and world peace. Czechoslovakia welcomes in earnest any improvement of relations with China. The rapid development of bilateral trade between the two countries in the past three years is really the embodiment of their relations and cooperation. The two countries should inherit their cooperative tradition and boost their present cooperation to the level commensurate with what is required in the '80s of the 20th century. Chinese Communist Party Acting General Secretary and Premier of the State Council Chao Tzu-yang's coming visit to Czechoslovakia and Czech General Secretary and President Gustav Husak's following visit to the Chinese mainland will bring the progression of the two countries' government and party relations to a climax."

Strougal arrived in Peip'ing on April 24 and ended his trip and left for home on April 29. His retinue consisted of more

than 40 Czechs, including the country's Minister of Foreign Trade Bohumil Urban and the Minister of General Engineering Luhowei (transliteration). In addition to Peip'ing, the Czech group also visited Shanghai and Canton and the "special economic zone" at Shenchen.

During his 6-day stay on the mainland, Strougal met at various times with Chao Tzu-yang, Teng Hsiao-p'ing and Li Hsien-nien and was present on April 26 at the ceremony in celebration of the signing of the agreement on the establishment of the "Sino-Czech Maritime Shipping Company" and of the accompanying corporate rules; the two persons who put their signatures on the documents were, on the Chinese Communist side, Liu Sung-chin, General Manager of the Head Office of the Maritime Transport Company and, on the Czech side, Sorglick (transliteration), General Manager of the International Maritime Shipping Corporation, Ltd. The two sides also signed an agreement by which Czechoslovakia would transfer the techniques of making the automobile "Titora 815" (transliteration) to the Chinese Communists.

On the morning of April 26 Teng Hsiao-p'ing said at a reception for Strougal, "Over the years our relations have been going on pretty well. The past is over, so let's head for the future and keep on moving in that direction. You have done quite well back home and your country's technology and industry are well ahead of ours. You have much from which we should learn. We speak the same language in a spate of issues. We are ideologically the same and socialism is our shared business." In response to Teng's diplomatic encomium, Strougal stressed that there would be "no obstacles whatever" hindering the two sides' bilateral relations. "Our two countries can play the ball quite well in any field they choose," said he.

On the afternoon of April 24 Chao Tzu-yang met Strougal in a 2-and-half-hour session of talks. The talks were conducted in a congenial and friendly atmosphere, according to the Chinese Communists. Chao was reported to have said this during the process of the talks: "The common ground shared by our two countries is vital and fundamental. We Chinese set great store by our two countries' common ground and can also understand their differences arising out of their different circumstances. Such differences will not stand in the way of the development of relations. To the extent we can respect

each other, abide by the principle of equality and mutual interest and take positive and practical steps to ensure such things, our friendly cooperation in many areas will assuredly keep on progressing. That China and Czechoslovakia can steadily push along their relations is because they have many common denominators and also because each of them, hewing to its own circumstances, is putting its best foot forward to build up socialism." Strougal, in his turn, stressed the necessity for the two sides to "take one step further" to encourage their cooperation in political, economic, technological and cultural areas.

On the morning of April 25 Li Hsien-nien had a meeting with Strougal and they talked about the reform programs on the Chinese mainland. Li's remarks: "The reforms are designed to promote productivity. Whatever they may accomplish, communist leadership and the socialist road are not to be changed."

Before he boarded the plane home on the afternoon of April 29, Strougal said at the airport that the most important part of his trip to the mainland concerned the two sides' political talks and conclusions.

Note:

The Chinese Communists and Czechoslovakia resumed their interchanges in 1983. In his recent trip to seven European countries, Peip'ing's Foreign Minister Wu Hsueh-ch'ien was in Czechoslovakia on March 7-10. In December 1985 the two sides signed a long-term trade agreement for the period 1986-90. The 1986 bilateral trade totted up to 953,000,000 Swiss francs. What is noteworthy is that Chao Tzu-yang is scheduled to visit in June five East European countries: Poland, Czechoslovakia, Hungary, East Germany and Bulgaria. Poland and East Germany had already "normalized" their relations with the Chinese Communists in 1986; it is expected that Czechoslovakia, Bulgaria and Hungary will follow suit this year.

DATE: May 13, 1987

EVALUATION: C - 3

SOURCE: Intelligence Report

SUBJECT: Defense Plan Mapped out by Laos

The Laotian defense department has mapped out a military defense plan under the guidance of the Soviet and Vietnamese advisors. Major points of the said plan follow:

1. Instructing all commands at division and provincial levels to coordinate efforts in setting up ordnance depots and building defense works as well as permanent barracks at strategic points along the border.

2. Carrying out clandestine organization work in neighboring countries of different political system through trade and economic connections as well as racial relationship. Using those clandestine organizations to collect information, sow discord between the government and the people of neighboring countries and stir up social disturbances.

3. Keeping troops constantly undergoing strict training so as to join battle at any time.

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CONFIDENTIAL

DATE: May 1, 1987

SOURCE: Comprehensive Information

SUBJECT: Orientation of Soviet Armament Policy as Viewed From Gorbachev's Speech on Disarmament

On January 15, 1986 Mikhail Gorbachev produced an outline of the Soviet steps to reduce its nuclear arms and has since mounted a series of peace initiatives publicizing Moscow's intention to put limitations on nuclear arms and reduce armament in general -- concessions in appearance to U.S. proposals. The following is an analysis of the orientation of the Soviet armament policy as reflected by Gorbachev's disarmament speech:

1. Highlights of Gorbachev's speech:

(1) Emphasis on the stoppage of the arms race:

Moscow's demands were mainly these: a large-scale reduction of conventional armament for both the Soviet Union and the United States, proportionately equal reduction of military spending and disbandment of military blocs for both sides, and, under strict supervision, the gradual reduction to a reasonably required level of the military strengths of both countries.

(2) Overall abolition of nuclear arms:

Gorbachev emphasized that the Soviet Union and the United States set themselves as models in disarmament so that by the end of the present century all ICBMs, mid- and short-range nuclear arms and chemical weapons will be destroyed.

(3) Negotiations on solutions to regional conflicts:

Gorbachev was of the opinion that national defense alone was not the surefire way to ensure national security and to achieve that aim a country must have "a firm defense policy, adroit tactical maneuvers and flexible stand;" thus, when it comes to the Afghan issue and the Iran-Iraq war, he suggested de-escalation of military confrontations by way of political

negotiations and thought this one of the ways to tackle regional conflicts.

2. Problems reflected:

(1) In addition to being a shift in strategic maneuvers, Gorbachev's peace initiatives centering on disarmament and limitations on nuclear arms also reflect the following dilemmas faced by the Soviet Union in its military buildup:

A. On the home front:

Since the inception of the '80s, owing to massive military spending over a long period, Soviet economy as a whole had run from bad to worse and the economic plight had placed the Soviet Union in the dilemma of how to choose between military buildup and economic development in the process of the distribution of national resources.

B. In foreign activities:

On the strength of its overwhelming economic and technological superiority and, especially, with its "Star Wars" program in the works, the United States has aggressively tried to bring the arms race into outer space. Obviously, it has attempted to rely on its superior military and financial power to force the Soviet Union to make concessions in SALT talks and regional problems and wear it down in the long run.

(2) In tactical maneuvers, Gorbachev's show of "sincerity" as a peace promoter was designed on the one hand as a way to cut down military spending and step up economic development to boost the national strength and on the other as a move to reduce the West's hostility toward the Soviet Union, make it less on the alert and prevent the United States from outrunning it in the arms race. His peace initiatives, moreover, can help him in his demand for a peaceful international environment so that he can push along his reforms, increase his personal reputation and consolidate his power base.

3. The orientation of Soviet policies:

(1) Arms reduction, whether it is of strategic

guided missiles or of mid- and short-range nuclear arms, is at the present stage a good thing for the Soviet Union -- good particularly because it can give a period of respite to the country's massive military spending. The Soviet Union is expected to make an effort to maintain the present military balance between it and the United States by continually carrying on the SALT talks, hoping that this would make itself militarily secure and at the same time able to carry on its economic development.

(2) Strategically, in order to have a military edge on the United States, the Soviet Union will place emphasis on researches on space military technology and on the development of an anti-ballistic missile system and of offensive strategic arms, and treat such things as priorities in its defense-oriented military buildup.

(3) The war in Afghanistan has taught the Soviet Union the lesson that in some peculiar regions even an overwhelming military superiority is no guarantee for a final victory. Hence, in matters of regional conflicts, it can possibly adopt the political negotiation approach, as implied in Gorbachev's remarks that "the Soviet effort to uphold and expand its interests should be flexible," so as to minimize military confrontations and continue to seek profitable political expansion.

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CONFIDENTIAL

DATE: July 29, 1987

EVALUATION: A - 2

SOURCE: Intelligence Report

SUBJECT: Trends of Japan's Military Strategic Development

1. With an objective pointed at its own national security interests to attain the status of a "Political Power" and an "International State" in the community of nations, Japan has now adjusted and revised its original defense policy. A summary of this new policy indicates the following 4 breakthroughs:

(1) An actual breakthrough in the 3 principles of prohibiting the export of arms.

(2) A partial breakthrough in the 3 principles of non-nuclear weapons.

(3) A breakthrough in the principle of non-resorting to collective defense.

(4) A breakthrough in the limit of defense budget to be less than 1 percent of the GNP.

2. The future development of Japan's defense policy is predicated that the emphasis in military doctrine is placed on the enhancement of air and naval capabilities while a change of course takes place in the construction of the army from its past army-first policy to a speeded-up army modernization program. In the concept of war, Japan is expected to shift the emphasis from its past policy of annihilating the enemy on the beachhead to the future policy of defeating invaders at sea, and also from conducting near sea warfare to an expanded medium and far ocean operation.

3. The five no-changes in Japan's defense policy:

(1) There is no change in its assumed targets of operations that the Soviet Union is considered the chief enemy while Korea is regarded as the secondary one.

(2) There is no change in its long-standing

principle that the military is placed under civilian control.

(3) There is no change in its strategic concept that all combat operations are based on U.S.-Japanese military cooperation.

(4) There is no change in its policy of maintaining an elite combat force.

(5) There is no change in its objective to have the combat force armed mainly with self-produced equipment.

4. Three options in Japan's new military strategy brought up by local Japanese analysts:

(1) A gradual shift to offensive defense strategy.

(2) A grdaual shift to ocean strategy.

(3) A gradual shift to self-sustained defense strategy.

5. The trend of Japan's future militay strategic development is predicated that Japan might try to make some changes or even an overhaul of its present defense-only strategy. However, a complete implementation of the self-sustained defense strategy is not expected to occur unless there is such a situation that the Soviet-Japanese relations are abnormally tense and the U.S.-Japanese contradictions are extremely sharp.

135/B

CONFIDENTIAL

DATE: August 5, 1987

SOURCE: Comprehensive Information

SUBJECT: New Situation in South Pacific Under Power Race

Under the influence of world power race many new problems have emerged in the South Pacific, such as the nuclear question, ANZUS Pact, fishery issue, national independence movement as well as the strategic deployment and scrambling for sphere of interests by the world powers. Taken together, it has made this region a new focus of conflict in the world politics. The following is an analysis thereof:

1. Current situation:

(1) The Soviet Union has signed a fishery agreement with Kiribati and established formal ties with Vanuatu. It has also urged Cuba, North Korea, the East European bloc and even Libya to do the same with Vanuatu. It has further vigorously supported the proposal of the 13 South Pacific countries to make the South Pacific a nuclear-free zone. It joined the South Pacific nuclear-free club at the end of last year.

(2) The United States is still opposed to the formation of a "South Pacific nuclear-free zone" organization. Neither has it endorsed the appeal for stopping France from conducting the atomic explosion test in the South Pacific. On the contrary, it has made Guam and Paulau the nuclear base and the nuclear storage, the Mariana Waterway the stockpile of nuclear waste as well as the ground to launch the long-range missiles.

(3) The United States signed at the end of last year a number of fishery agreements with many island nations in this region and paid a total of US$12 million as the right of fishing fee. However, due to non-recognition by the United States of the 200-mile "economic zone" over this region, the fishery disputes have kept increasing. As to the breakaway of New Zealand from the ANZUS Pact, the United States has so far been unable to find any effective means to save the situation.

2. Problems reflected:

(1) In essence, there is no sharp difference between the nuclear strategy presently being pursued by both the United States and the Soviet Union. However, the latter seems to have mastered it more dexterously by signing a number of non-nuclear treaties to satisfy the anti-nuclear emotion of the Western people, while the United States has only vexed the world people by adopting a tough nuclear policy.

(2) Without obvious military backup the Soviet Union has scored victory in the South Pacific either in the diplomatic or trade field or both. The United States, on the other hand, has gradually found it difficult to stop the Soviet Union from coming into this area due to its inadequate policy.

(3) At present, nationalist emotion and voice craving for independence are rampant in this region. In view of the fact that Libya and the PLO have both set up base in New Caledonia and Vanuatu and helped train the local "revolutionary forces," it would indicate that the Soviet Union has found good proxies to do the infiltration work in this region.

3. Summing-up:

(1) With the United States demonstrating the "pro-nuclear" policy and the Soviet Union the "anti-nuclear" policy, the nuclear issue in the South Pacific has become not only a key point of showing off their strength but also the focus of their nuclear polemic in the world commentary. Under these circumstances, it is perhaps easy for the Soviet Union to carry out its united front work there.

(2) In view of the Soviet indirect presence in the anti-nuclear movement sponsored by New Zealand, the United States has seriously taken up this matter with New Zealand in order to forestall repetition in other ally countries. Otherwise, the United States global defense system would crumble, thus creating a very serious problem to the East-West strategic balance.

CONFIDENTIAL

135/B

DATE: August 5, 1987

EVALUATION: B - 2

SOURCE: Documentary Information

SUBJECT: Indonesia and Vietnam Jointly Help Hostile Factions In Kampuchea to Meet

Indonesian Foreign Minister Machtar Kusumaatmadja visited Vietnam on July 27-29 and discussed with the Vietnamese authorities concerned the Kampuchean issue. The following is a relative situation thereof:

1. At the press conference held in Hochimin City on July 29 Machtar said that Indonesia and Vietnam had established environment for Kampuchea's two hostile factions to meet without any prior political conditions and perhaps in their private capacity.

2. Upon arrival in Bangkok the Indonesian foreign minister told the press:

(1) The most important matter at the present time was how to get Vietnam and Kampuchea together for talks. In view of Vietnam's favorable response to the "cocktail party" proposal, it could be expected that it would consider taking part in such an informal talks.

(2) Vietnam would pass on the said proposal to the Heng Samrin regime and Thailand, in the capacity of the chairman of ASEAN's standing committee, would convey the same to the 3-party anti-Vietnamese coalition government; Indonesia then would provide the venue.

3. Thailand avoided making comments on Machtar's visit to Vietnam and the result thereof, but said it would take time to study it. At present, its Foreign Minister Siddhi has not yet transmitted the proposal to the coalition government. However, it will be taken up in ASEAN's next meeting for discussion.

Note:

The so-called "cocktail party" proposal was put forward by Machtar in November, 1985 calling for an informal talks to be held between all factions in Kampuchea, including the Heng Samrin regime, in order to settle the question of Kampuchea by peaceful means.

135/B

CONFIDENTIAL

DATE: August 5, 1987

EVALUATION: C - 3

SOURCE: Documentary Information

SUBJECT: Moscow's Asian Policy: Gorbachev

In his interview with the reporter from an Indonesian independent newspaper at the end of July, Gorbachev talked about Moscow's Asian policy of which the main points are as follows:

1. The formation of an Asian security system which Gorbachev suggested in his speech at Vladivostok last year has not obtained the support of the countries in this region. This suggestion, according to him, can be taken as a "working hypothesis" and an "invitation to talks." He stressed that although he had not suggested to automatically "transfer" the European version, such as the European security conference, to Asia, he would not either give up the hope of having a "Helsinki Conference" in Asia.

2. As to the normalization talks with Peip'ing, which was in progress then, Gorbachev did show his "positive" attitude toward it, but only called the regime Asia's "another nuclear power," not a "brotherly" nation. Moscow and Peip'ing have signed an agreement of restraining each other to employ the nuclear weapons first.

3. Moscow's current Asian policy seems to take India as the main target country. Although the form of government and the social political system of both countries are different, signs of good relations do exist in various fields. This kind of relationship as Gorbachev pointed out in the interview is based on the "fact" not the "word."

CONFIDENTIAL

CONFIDENTIAL

DATE: August 5, 1987

EVALUATION: C - 3

SOURCE: Comprehensive Information

SUBJECT: Washington Once Again Rejected Pyongyang's Tripartite Meeting Proposal

The relative situation concerning North Korea's proposal to hold a tripartite meeting between Seoul, Pyongyang, and Washington is as follows:

1. North Korea's proposal:

(1) In its announcement on July 23, North Korea proposed that a tripartite meeting be held between Seoul, Pyongyang and Washington for discussion about military reduction on the Korean Peninsula

(2) The proposal provides:

A. The period for 2 Koreas' military reduction shall be divided into 3 phases between 1988 and 1991.

B. Each side shall maintain a military strength of not more than 100,000 men.

C. The United States should also make a sequential withdrawal of armed forces, including the nuclear weapons and military bases.

D. The present non-militarized zone can be used as the peace region to be supervised by troops of the neutral countries.

2. Response of other countries:

(1) As indicated by its State Department on July 23, the United States would firmly believe that the key to alleviate tensions on the Korean Peninsula is the direct dialogue between the North and the South, and hope that such dialogue could be opened as soon as possible, thus indirectly rejecting the proposal.

(2) Referring to the matter concerning the military reduction on the Korean Peninsula, Japanese Prime Minister Nakasone said on July 23 that basically the Korean question should be resolved through talks by Seoul and Pyongyang, the parties directly concerned.

CARP. 135B

135/B ENLACE DE ISRAEL

ENTRE LOS Nos

1 -8705303-

— Traducir

CANJEAR CON SIRIA Y LIBANO Y MEMO

ISRAEL

S E C R E T

MEMO HECHO 16/7/87

Presencia Siria en el LIBANO

LA TRADUCCION ESTÁ ARCHIVADA EN MEMOS - MEMO Nº 020/87

23RD FEBRUARY 1987

REPORT NO.: /1217

MINISTERIO DE DEFENSA NACIONAL
Dirección General de Información de Defensa
Fecha de Entrada 17/4/87
Fecha de Salida 14/7/87
Pasa a Jefe / Archivo
Nº. de Identificación 1043/87

SUBJECT : THE SYRIAN INVOLVEMENT IN LEBANON
(CORRECT TO 22 FEBRUARY 1987)

1350

GENERAL

1. AFTER A MOSLEM REQUEST TO RESTORE SECURITY IN BEIRUT, SYRIA BEGAN - ON 20 FEBRUARY, 1987 - TO PREPARE A NUMBER OF ITS ARMY UNITS FOR DISPATCH TO WEST BEIRUT, IN ORDER TO IMPLEMENT THE SECURITY PLAN WHICH IT WORKED OUT TOGETHER WITH AMAL, THE DRUZE, SUNNI REPRESENTATIVES AND THE LEFTIST PARTIES. THE CHRISTIANS, INCLUDING PRESIDENT JEMAYEL AND THE ARMY COMMANDER, AS WELL AS THE 'LEBANESE FRONT' AND THE 'LEBANESE FORCES', WERE NOT PARTY TO THIS MOVE AND ARE OPPOSED TO IT.

2. ON 22 FEBRUARY, 1987, A SYRIAN FORCE OF DIVISION SIZE BEGAN TO MOVE TOWARDS WEST BEIRUT. THIS FORCE COMPRISES THREE COMMANDO FAWJS AND AN ARMOURED BRIGADE.

3. THE SYRIAN FORCES MOVED UNDER THEIR OWN STEAM - NOT ON TRANSPORTERS, INDICATING THAT THIS MOVE WAS MADE HASTILY, WITHOUT PROPER PREPARATIONS.

4. SO FAR NO UNUSUAL ACTIVITIES OR DEPLOYMENT CHANGES HAVE BEEN SPOTTED IN THE SYRIAN UNITS ON THE GOLAN HEIGHTS FRONT.

5. THE DECISION TO SEND SYRIAN FORCES INTO BEIRUT WAS PRECEDED BY INTENSIVE CONTACTS IN DAMASCUS WITH THE LEBANESE POWER FACTORS - AMONG THEM AMAL LEADER NABIH BARRI, DRUZE LEADER WALID JUMBLATT, PRIME MINISTER KARAMI, THE SUNNI MINISTER SALIM AL HOSS, AND SPEAKER OF PARLIAMENT HUSSEINI. FOLLOWING THE CONTACTS, SYRIA STATED (RADIO DAMASCUS, 21 FEBRUARY) THAT IT WAS ANSWERING THE CALL TO PROVIDE MILITARY ASSISTANCE TO LEBANON, WITH THE AIM OF RESTORING SECURITY TO BEIRUT.

6. PRESIDENT JEMAYEL, WHO RETURNED TO LEBANON ON 21 FEBRUARY, DECLARED THAT THE MOSLEM MINISTERS' CALL TO SYRIA WAS ANTI-CONSTITUTIONAL, ALTHOUGH HE ADMITTED THAT IT WAS POSSIBLE TO UNDERSTAND THE TRAGIC CIRCUMSTANCES WHICH PROMPTED THEM TO MAKE THE CALL. THE FRENCH NEWS AGENCY (21 FEBRUARY) QUOTED SOURCES IN THE LEBANESE ARMY COMMAND AS SAYING THAT THERE HAD BEEN NO CONTACT BETWEEN THEM AND THE SYRIANS TO COORDINATE THE SYRIAN MOVE.

7. HIZBALLAH HAS NOT YET PUBLISHED ANY OFFICIAL REACTION TO THE SYRIAN MOVE, WHICH WILL APPARENTLY SEVERELY HAMPER ITS ACTIVITY, THUS CONSTITUTING A POTENTIAL FOR MOUNTING FRICTION BETWEEN IT AND THE SYRIANS. IT ALSO APPEARS THAT THE DRUZE, ALTHOUGH THEY WERE

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PARTY (FOR LACK OF AN ALTERNATIVE) TO INVITING THE SYRIANS TO ENTER BEIRUT, HAVE RESERVATIONS ABOUT THE MOVE. WHICH MIGHT ERODE THEIR CONTROL IN BEIRUT AND NEUTRALIZE THEIR ACHIEVEMENTS THERE.

8. THE SOVIET MEDIA REPORTS ON THE SYRIAN MOVE INDICATED THAT IT HAD SOVIET SUPPORT. THE ARAFAT CAMP, FOR ITS PART, FEARS THAT THE SYRIAN'S MOVE WILL CAUSE IT SIGNIFICANT HARM.

ASSESSMENT

9. THE RECENT SYRIAN MOVES WERE BROUGHT ON BY DEVELOPMENTS IN WEST BEIRUT, ESPECIALLY THE BLOW SUFFERED BY SYRIA'S PROTEGE, AMAL, IN THE CLASHES WITH THE PROGRESSIVE SOCIALIST PARTY OF THE DRUZE, THE COMMUNIST PARTY, AND SUNNI LEFTIST ELEMENTS. IN THE COURSE OF THESE CLASHES AMAL LOST ITS CONTROL OVER A NUMBER OF AREAS IN WEST BEIRUT, JUST WHEN IT SEEMED THAT IT WAS MAKING HEADWAY IN ITS STRUGGLE AGAINST THE PALESTINIANS - WHO WERE FORCED TO AGREE TO SOME OF ITS DEMANDS, AMONG THEM THE DEMAND THAT THEY WITHDRAW FROM MAGHDUSHAH.

10. EVEN THOUGH THE IMMEDIATE BACKGROUND WAS THE FIGHTING IN WEST BEIRUT, THERE IS NO DOUBT THAT THE SYRIAN MOVE STEMMED FROM A GROWING FEELING IN DAMASCUS THAT SYRIA'S STANDING AS A MAJOR POWER FACTOR IN LEBANON WAS BEING ERODED, AS EVIDENCED BY:

A. A DRASTIC DECLINE IN THE EFFECTIVENESS OF THE SYRIAN SECURITY PLAN THAT WAS IMPLEMENTED IN WEST BEIRUT IN JULY-AUGUST, 1986, IN THE FRAMEWORK OF WHICH ABOUT 600 SYRIAN SOLDIERS DEPLOYED THERE. THE LATEST MANIFESTATIONS OF THIS WERE KIDNAPPINGS OF AND ATTACKS AGAINST SYRIAN SOLDIERS IN WEST BEIRUT AND SYRIA'S FAILURE TO ARRANGE AN EFFECTIVE CEASE-FIRE, WHICH IT RECENTLY UNDERTOOK TO DO.

B. SYRIA'S FAILURE TO DIMINISH AND NEUTRALIZE ARAFAT'S CAMP IN LEBANON AND TO CUT OFF THE CONTINUING ASSISTANCE IT HAS BEEN RECEIVING FROM OTHER ELEMENTS, AMONG THEM, JUMBLATT, THE CHRISTIANS AND LEFTIST ELEMENTS, SUCH AS MUSTAFA SA'AD AND THE MURABITUN.

C. SYRIA'S LOSS OF CONTROL OVER THE LEBANESE LEFT, AS MANIFEST IN MOVES MADE IN THE COMMUNIST PARTY, IN THE SPLIT BETWEEN SYRIA'S SUPPORTERS AND OPPONENTS IN THE PPS (24 JAN.) AND IN THE INDEPENDENCE OF JUMBLATT, WHO IGNORES SYRIA'S DICTATES BOTH AS REGARDS HIS TIES WITH THE PALESTINIANS AND THE "NATIONAL RECONCILIATION" IN LEBANON.

D. SYRIA'S INABILITY TO SIGNIFICANTLY PROMOTE THE "NATIONAL RECONCILIATION", DESPITE ITS RECENT CONTACTS WITH PRESIDENT JEMAYEL, AGAINST THE BACKGROUND OF THE CHRISTIANS' INTRANSIGENT STAND.

11. THE SYRIAN ADMINISTRATION'S FEELING OF HAVING LOST CONTROL HAS RECENTLY BEEN COMPOUNDED BY THE CRITICISM SYRIA HAS TO CONTEND WITH BOTH IN THE INTER-ARAB AND INTERNATIONAL SPHERES, AS REGARDS ITS ROLE IN LEBANON:

A. IN THE INTER-ARAB SPHERE - SYRIA WAS ASKED DIRECTLY OR BY IMPLICATION, BY KING HUSSEIN, THE ARAB LEAGUE AND THE ISLAMIC SUMMIT IN KUWAIT TO ASSIST IN RESOLVING THE LEBANESE CRISIS, AND PARTICULARLY TO PUT AN END TO THE STRUGGLE BETWEEN ARAFAT AND AMAL.

B. THE SYRIANS PERCEIVED THE ACTIVITY OF IRAN AND LIBYA, WHICH HAD MEDIATED IN THE SHIITE-PALESTINIAN CRISIS, AS AN ATTEMPT TO DEPRIVE THEM OF THE ROLE OF ARBITRATOR AND MEDIATOR IN LEBANON, AND PROMPTED THEM TO TAKE AN INITIATIVE OF THEIR OWN.

C. IN THE INTERNATIONAL SPHERE - SYRIA'S IDENTIFICATION AS A SUPPORTER OF TERRORISM LED IT TO SEARCH FOR WAYS AND MEANS OF IMPROVING ITS IMAGE. SYRIA'S ENTRY INTO BEIRUT AND THE IMPOSITION OF LAW AND ORDER THERE COULD BE A STEP IN THIS DIRECTION.

12. THE FACT THAT THE RUNNING OF LEBANESE AFFAIRS HAS ONCE AGAIN BEEN PLACED IN KHADDAM'S HANDS MAY ALSO HAVE CONTRIBUTED TO SYRIA'S TAKING A TOUGHER DECISION. KHADDAM IS KNOWN TO HAVE FAVOURED FOR A LONG TIME THE USE OF GREATER FORCE IN DEALING WITH THE LEBANESE CRISIS.

13. THE CHANGES IN THE SYRIAN MILITARY DEPLOYMENT IN LEBANON, IN VIEW OF THE INTRODUCTION OF LARGE ARMY FORCES INTO BEIRUT, ARE STILL GOING ON. AT THIS POINT IT IS, THEREFORE,DIFFICULT TO ASSESS THE FULL IMPLICATIONS OF THE SYRIAN MOVE.

14. THE SYRIAN DECISION TO SEND IN LARGE ARMY FORCES IN ORDER TO STABILIZE THE SECURITY SITUATION IN BEIRUT CONSTITUTES A CHANGE IN SYRIA'S PATTERN OF BEHAVIOUR. SO FAR SYRIA HAS BEEN READY TO USE ONLY LIMITED FORCES AT INTER-LEBANESE FOCI OF FRICTION.

15. IN CERTAIN RESPECTS, THE MAIN DEVELOPMENTS WHICH PRECEDED THE SYRIAN DECISION BASICALLY FIT IN WITH THOSE WHICH HAD CHARACTERIZED SYRIA'S MILITARY INVOLVEMENT IN THE FIGHTING IN LEBANON IN THE PAST YEAR, SINCE THE CHANGES OF DEPLOYMENT ARE BEING CARRIED OUT:

A. IN THE AREA OF SYRIAN INFLUENCE, WHERE SYRIAN MILITARY FORCES ARE ALREADY PRESENT.

B. AFTER A PROLONGED PERIOD OF HEAVY FIGHTING AND SYRIAN INABILITY TO RESOLVE THE SITUATION BY MEANS OF POLITICAL CONTACTS AND A MILITARY FORCE ALREADY STATIONED THERE.

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C. FOLLOWING A FORMAL REQUEST BY LOCAL ELEMENTS FOR SYRIAN MILITARY ASSISTANCE IN ORDER TO STABILIZE THE SITUATION IN BEIRUT. THE SYRIANS INSISTED ON SUCH A REQUEST AS A PRECONDITION FOR THEIR ENTRY.

D. BY MEANS OF SYRIAN MILITARY FORCES THAT ARE ALLOCATED TO THE LEBANESE ARENA.

16. HOWEVER, FROM SEVERAL ASPECTS ONE SHOULD VIEW THE PRESENT SYRIAN MOVE AS A SUBSTANTIVE CHANGE IN SYRIA'S BEHAVIOUR IN LEBANON SINCE THE PEACE FOR GALILEE OPERATION IN 1982, BECAUSE IT ENTAILS:

A. READINESS TO EMPLOY LARGE FORCES. IN THE PAST, THE SYRIANS MADE DO WITH USING LIMITED FORCES AT PLACES WHERE FIGHTING WAS GOING ON IN LEBANON.

B. THE TRANSFER OF COMPLETE REGULAR UNITS TO BEIRUT.

C. SHIFTING THE EMPHASIS OF THE 2ND CORPS' ACTIVITY FROM DEPLOYMENT IN LEBANON AND FROM CONCENTRATING ON STRATEGIC DEPLOYMENT AGAINST ISRAEL TO ACTIVE INVOLVEMENT IN INTERNAL LEBANESE DISPUTES.

D. THE POSSIBILITY OF THE ACTIVITY OF THE SYRIAN FORCES BEING CHANGED FROM SUPERVISING AND OBSERVING TO DIRECT INTERVENTION IN IMPOSING ORDER IN BEIRUT.

17. THERE ARE STILL SEVERAL QUESTION MARKS REGARDING THE EXPECTED SYRIAN DEPLOYMENT IN WEST BEIRUT:

A. IT IS NOT KNOWN WHAT THE CHARACTERISTICS OF THE DEPLOYMENT AND ACTIVITY OF THE SYRIAN FORCE WILL BE, ESPECIALLY TO WHAT EXTENT IT WILL BE PREPARED TO ENTER INTO A CONFRONTATION WITH LOCAL POWER FACTORS.

B. IT IS STILL NOT CLEAR HOW LONG THE REINFORCEMENTS WILL STAY IN WEST BEIRUT.

18. AS TO THE POSSIBILITY OF SYRIAN FORCES ALSO DEPLOYING IN THE SIDON AREA, WE ASSESS THAT THE SYRIANS' CONCEPTION OF THIS AREA IS DIFFERENT FROM THEIR CONCEPTION OF BEIRUT, SINCE THERE IS NO FIGHTING GOING ON IN SIDON, THE SYRIANS HAVE ALMOST NO PRESENCE THERE, AND NO LOCAL ELEMENTS HAVE REQUESTED SYRIAN AID. MOREOVER, THE SYRIANS HAVE NO INTEREST IN ENTERING INTO A CONFRONTATION WITH THE PALESTINIAN FORCES IN SIDON AND IN RISKING AN ISRAELI REACTION. HOWEVER, IT IS POSSIBLE THAT THE SYRIAN FORCE ENTERING BEIRUT WILL ALSO BE GIVEN THE TASK OF DEPLOYING SOUTHWARD ALONG THE COASTAL ROAD IN ORDER TO SECURE TRAFFIC THERE.

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IMPLICATIONS

19. THE SHIITES:

A. AMAL AND ITS LEADER NABIH BARRI WILL GAIN BACKING AND THE EROSION OF THE AREA THEY CONTROL IN WEST BEIRUT - INITIATED BY JUMBLATT AND THE COMMUNISTS ON 15 FEBRUARY - WILL BE BLOCKED. IT IS POSSIBLE THAT IN THE MORE DISTANT FUTURE THE SYRIANS AND AMAL WILL JOIN FORCES IN PURGING WEST BEIRUT OF THE RADICAL SHIITES, THE ARAFAT CAMP AND THE HOSTILE LEFTIST ORGANIZATIONS, THUS RESTORING CONTROL TO AMAL.

B. HIZBALLAH WILL BE HURT, SINCE AT LEAST ITS FREEDOM OF ACTION WILL BE CURTAILED. IT IS AN OPEN QUESTION HOW IT WILL CHOOSE TO REACT - WHETHER IT WILL COME TO TERMS WITH THE SITUATION AND LOWER ITS PROFILE, OR WHETHER IT WILL FIGHT AGAINST THE SYRIANS (AS IT HAS THREATENED TO DO IN THE PAST). IRANIAN ADVICE AND CONSIDERATIONS WILL OF COURSE HAVE AN IMPORTANT INFLUENCE ON HIZBALLAH'S DECISION.

20. THE CHRISTIANS - THE SYRIAN MOVE APPEARS TO HAVE NO DIRECT BEARING ON THE CHRISTIAN COMMUNITY. HOWEVER, A MASSIVE SYRIAN PRESENCE IN BEIRUT COULD HAVE THE FOLLOWING CONSEQUENCES:

A. SYRIA WILL BE BETTER ABLE TO EXERT PRESSURE ON THE CHRISTIANS IN ORDER TO GET THEM TO MAKE CONCESSIONS IN SETTLING THE SECTARIAN CRISIS IN LEBANON.

B. REAL SYRIAN - POLITICAL OR MILITARY - PRESSURE MAY ONCE AGAIN DIVIDE THE CHRISTIAN CAMP INTO THE TRADITIONAL SUPPORTERS OF THE "LINE OF COMPROMISE" WITH SYRIA (AMIN JEMAYEL) AND THOSE WHO ARE OPPOSED TO THIS LINE (THE "LEBANESE FORCES" AND CHAMOUN). THOUGH, ON THE OTHER HAND, THE OUTCOME OF THIS MOVE COULD ALSO BE THE RE-UNIFICATION OF THESE ELEMENTS.

C. THE CHRISTIANS WILL BE MORE INCLINED TO COOPERATE - AT LEAST IN THE SHORT RANGE - WITH ARAFAT, SYRIA'S ENEMY.

21. THE DRUZE - JUMBLATT'S MANOEUVRABILITY WILL BE CURTAILED AND HE IS LIKELY TO BECOME LESS KEEN ON CONTINUING TO PROVOKE THE SYRIANS WHO MIGHT ERODE HIS HOLD OVER THE EDGES OF THE SHOUF, ESPECIALLY IN ALEY, BHAMDOUN AND KHALDE. A FULL-SCALE SYRIAN DEPLOYMENT IN WEST BEIRUT MAY ALSO BRING ABOUT ANOTHER DRASTIC CHANGE IN JUMBLATT'S ATTITUDE AND RESULT IN HIS RENEWED COOPERATION WITH NABIH BARRI, ON THE PRINCIPLE OF: 'IF YOU CAN'T BEAT THEM, JOIN THEM'.

22. THE SUNNIS :

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A. THE TRADITIONAL LEADERSHIP, PARTICULARLY KARAMI, WILL PROFIT FROM SYRIA'S MOVE BECAUSE THE STABILIZATION OF SECURITY AND THE RENEWAL OF THE POLITICAL DIALOGUE WILL IMPROVE ITS CAPABILITY TO DEAL WITH THE CONTINUED EROSION OF ITS STANDING IN THE COMMUNITY.

B. THE ABILITY OF THE SMALL PRO-ARAFAT SUNNI MILITIAS TO OPERATE WILL BE LIMITED OR PERHAPS EVEN ELIMINATED.

23. THE PALESTINIANS :

A. THE ARAFAT CAMP - THE SYRIANS ARE EXPECTED TO MAKE EFFORTS TO LIMIT THE ACTIVITY OF ARAFAT'S MEN IN WEST BEIRUT AND TO COUNTER THEIR EFFORTS TO TRANSFER THEIR ACTIVISTS BACK TO LEBANON.

B. THE 'SALVATION FRONT' - MAY TRY TO SEIZE, WITH SYRIA'S ENCOURAGEMENT AND PROTECTION, THE LEADERSHIP OVER THE PALESTINIAN PUBLIC IN THE CAMPS AND TO RUN SECURITY MATTERS THERE.

C. THE PALESTINIAN PUBLIC IN THE CAMPS IN BEIRUT MAY PROFIT FROM THE MOVE OF THE SYRIANS, WHO MIGHT, IN THE FIRST STAGE, RELIEVE IT OF SHIITE PRESSURE.

24. ON THE INTER-COMMUNAL LEVEL - SYRIA MAY WANT TO EXPLOIT ITS MILITARY MOVES IN ORDER TO RENEW THE NATIONAL RECONCILIATION PROCESS AND, IN THIS FRAMEWORK, EXERT ITS INFLUENCE, THIS TIME MORE INSISTENTLY, ON THE PROBLEMATIC AND UNCOMPLIANT PARTIES, INCLUDING THE CHRISTIANS AND THE DRUZE.

25. WE WOULD
APPRECIATE RECEIVING ANY DETAILS YOU MAY HAVE ON THE SUBJECT

CARP. 135C

135/C ENLACE INGLÉS

ENTRE LOS Nos

8701531 - 8707479

SECRET

ENLACE INGLES

0351c

RELS/87/0081 12 January 1987

BRAZIL:

UNCERTIAN FUTURE OF THE MINISTER OF FINANCE AND SECRETARY FOR PLANNING

Source description: occasional source quoting well placed informant

Date of infoarmation: January 1987

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SECRET 8701531

RELS/87/0081 12 January 1987

BRAZIL: UNCERTAIN FUTURE OF THE MINISTER OF FINANCE AND SECRETARY FOR PLANNING

In early January 1987, an official in the office of President SARNEY said that both Finance Minister, DILSON FUNARO, and Planning Secretary, JOAO SAYAD, were to be replaced by the end of January.

SECRET

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RELS/87/0070   8 January 1987

CURRENT INTELLIGENCE SUMMARY

IRAN/IRAQ:
THE WAR

1. On 24 December, the Iranian Revolutionary Guard Corps (IRGC) launched an attack, codenamed KARBALA 4, on a 30 km front between Abu al Khasib, south of Basra, and the island of Umm al Rassas on the Shatt al Arab. A temporary foothold was gained on the island, but elsewhere the well-prepared Iraqi defensive positions mostly held firm, and the attack was repulsed by the end of 25 December. It is not known how many Iranians were committed to this offensive - probably at least 20,000. Iraqi claims that up to 8 divisions took part and suffered over 30,000 casualties are no doubt exaggerated, but press reporting afterwards from the battleground suggests that Iranian losses were extremely heavy. The lack of increased artillery support or other regular army assistance indicates that the attack was spontaneous IRGC initiative. President KHAMENEI of Iran denied that this was the much-heralded 'decisive blow', saying that it was a limited attack intended to punish the Iraqis for their continuing onslaught on Iranian economic targets, and that the 'decisive blow' was still to come.

The Iraqi Air Offensive

2. Since July, the Iraqi air offensive on Iranian economic targets has inflicted serious damage on oil and domestic energy production. Five of Iran's six main refineries are now partially /or ...

or completely closed, and production of refined products is down to about 65 per cent of national requirements, leaving a shortfall of 300,000 barrels per day to be bought from abroad. Petrol rationing is severe for the private sector. In an apparently new phase, the Iraqis have badly damaged three major power stations since mid-November, including Iran's largest at Neka, and may have reduced national power generating capacity by some 20 per cent. Smaller power stations were also attacked in mid-December. Workers in the industry maintain that shortages are too severe to compensate by rotating power cuts, and entire areas, probably in the countryside, are liable to be cut off completely. Power cuts of up to 10 hours in Tehran are already frequent, and their effects will further sharpen the austerity of present living conditions and depress industry.

3. Iraqi attacks on Iranian oil exports in the Gulf have continued, but with less intensity. Damage caused by five attacks on Kharg Island has been repaired remarkably quickly and at least four berths are operational again. The Kharg output is tentatively estimated to be back to the 1985 average level of 1.5 million barrels per day, after dropping to 0.5 million bpd in September. When the Iranians were forced, after an attack on Sirri Island, to move their transloading operation for international tankers to Larak Island, the Iraqis attacked Larak for the first time on 25 November. This feat, 1100 kilometres from Iraq, caused alarm and provoked some media speculation that Iran might now switch transloading to Jask, in the Gulf of Oman. At least 66 Iranian shuttle tankers were attacked in 1986, compared with 43 in 1985.

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4. Iran is likely to earn no more than 5 billion dollars net from oil revenues in 1986. The increase in oil exports, probably back to their 1985 level, is balanced by Iran's need for extra imports of refined products, which it is buying from a number of countries including Romania, the German Democratic Republic, Libya and Saudi Arabia a traditional supplier. The balance of payments is still serious but manageable, although very vulnerable to a renewed fall in all revenues. For the first time since the revolution, Iran has requested and received credit facilities from foreign (Japanese) banks, amounting initially to 150 million dollars. Iran's internal economy is suffering from the damage to its energy supplies. Since the government will continue to give priority to defence and petroleum production, it is the population, already afflicted by severe austerity measures including shortages of food and heating fuel, which will feel the most impact, in the form of power cuts and price rises this winter.

The Iranian Response

5. The Iranians responded initially with the limited means at their disposal, short of a land offensive. They fired three SCUD missiles at Baghdad in November (leaving about 20 in their arsenal), and Basra and border towns have been subjected to increasingly heavy artillery bombardments, including one attack by BM 21 rocket launchers. Iran announced that on 7 and 8 December it fired three 'short range' missiles at Basra and on 14 Decmeber 'coast to sea' missiles at the Iraqi-held Al Bakr platform, but the exact types of missile have not been identified. Iran's small airforce also carried out occasional, but mostly ineffectual missions. The government has publicised the establishement and deployment of a 'special /airborne ...

airborne brigade' of the IRGC to carry out guerrilla operations with Kurds in northern Iraq, but so far their attacks have been no more than pinpricks, exaggerated by Iranian propaganda. Iran is now admitting to more civilian casualties from Iraqi air raids than previously, no doubt to garner international sympathy, and reported 126 dead after three raids on 23 November in the Ahvaz area.

6. The Iranians have changed their tactics against shipping in the Gulf, intended to deter other states from aiding Iraq. Since early October helicopter attacks have ceased and Iran's three serviceable frigates have been used for the first time, enabling them to attack at night and with a heavier missile, the Italian-made Seakiller. However, the presence warships from the US, UK, USSR France and Saudi Arabia seems to have inhibited Iranian attacks more recently, as well as the stop-and-search policy. Iran issued fresh threats against Gulf States which help Iraq (Kuwait is a particular tartet) when Iraqi tanker and attack aircraft landed at Dahran airfield in Saudi Arabia after the Larak raid, seemingly in an emergency. On the same day a UAE oil rig at Abu Al Bakhoosh was attached. Iran and Iraq blamed each other; there is no convincing evidence either way, but opinion in the Gulf States points to Iran. The UAE and its Gulf Cooperation Council partners denounced the attack, but without attributing responsibility. The UAE is now seeking more lcoal air defence missiles from the West and Oman has again called for multi-ntional defence of the Straits of Hormuz. Nevertheless, the general level of concern is not as high as that following Iran's seizure of Al Faw.

Recent Weapons Supplies

7. Iran's acquisition of US 2008 TOW missiles will assist

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its attack capabilities. Because of Soviet pressure, the Libyans are unlikely to have delivered any further SCUD B missiles. A North Korean company has allegedly offered 20 SCUD B missiles and launchers, but these are not believed to be in production yet in North Korea. The Iranians are also reported to be interested in Chinese combat aircraft, but there is no conclusive evidence on training or supply contracts.

8. Iraq has now received at least 12 MIG 29 (FULCRUM) advanced air superiority fighters from the USSR, but these and any further supplies will not become combat effective until mid-1987. Even then, they will not add greatly to Iraq's already considerable advantage in the air. All four Chinese Badger medium bambers, configured in an anti-shipping role, have probably now arrived in Iraq. When operational, they could carry out attacks as far as the Gulf of Oman and into the Arabian Sea.

9. While US credibility has been damaged by the disclosures of arms negotiations with Iran, Soviet activity in the region has increased. Iraq received more miltary supplies than any other Soviet customer outside the Warsaw Pact. Seven Soviet ships carrying arms for Iraq arrived in Kuwait in mid-December, escorted by a Soviet frigate. The supply of MIG 29 (FULCRUM), alongside the French Mirage 2000, demonstrate continuing Soviet involvement in Iraq's modernisation programme. The USSR has now agreed to lease tankers to Kuwait, which may reduce the Iranian threat to Kuwait's oil exports, particularly if they travel under Soviet naval escort. A new arms supply agreement with Kuwait is also under discussion. Soviet economic talks with Iran finally took place from 9-11 December after a 6-year break, but only modest advances in the economic

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relationship were announced, and serious obstacles such as Afghanistan and Soviet arms supplies to Iraq remain.

10. Preparations for Iran's 'decisive blow' have continued slowly. Bad weather and accurate Iraqi interdiction attacks on garrisons, infrastructure and communications have caused delays, as perhaps have misgivings over the political risks of low morale among the population. The failed KARBALA 4 attack in the southern sector, ostensibly intended to punish Iraq for its damaging air strikes against Iranian economic targets, may also have been planned to distract Iraqi attention away from activity in the central sector where an attack would bring the war much closer to Baghdad. Although Iranian preparations have often come to nothing in the past, there must be pressure on the government for some effective response to the Iraqi air offensive. However, the Iraqis are alert and well prepared, and the Iranians seem unlikley to make a breakthrough of strategic significance.

Iran Británico SECRET ~~Hilly~~ PERLA

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RELS/87/0244

12 February 1987

IRAN/IRAQ: IRANIAN WAR STRATEGY

Source description: occasional source quoting a well placed informant

Date of information: January 1987

01.03

SECRET

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RELS/87/0244 13 February 1987

IRAN/IRAQ:
IRANIAN WAR STRATEGY

1. A political observer with good connections who spent several weeks in Iran in December/January 1987 commented on the war, the Karbala 5 offensive and Iranian intentions over Basra.

2. He said that Speaker HASHEMI-RAFSANJANI was in personal over-all control of the battle in the southern sector where he had visited the front for extended periods. The observer saic that the Iranians did not intend to try to capture Basra for the time being. Their plan was to surround the city, isolating it from the rest of the country and cutting the roads linking it to Baghdad in the north and Kuwait and the Gulf in the south. The Iranians calculated that this would have the same effect as a successful, but more costly attack on the city, and would shake SADDAM's position critically. The Iranians were also conscious that it could stimulate sharp reactions from Arab neighbours and western interests if it was clear that a quick military victory was imminent.

3. The observer said that one of the most significant alterations he had noted in Iranian thinking since last year was that the Iranians were no longer insisting upon an agreement for the imposition of an Islamic Republic in Iraq as a pre-condition for cessation of hostilities. Their sole condition now was that SADDAM HUSSEIN should go. The observer said that the makers of this new, more realistic policy were /President. ...

President KHAMENEI and HASHEMI-RAFSANJANI.

4. The observer said that Iraqi troops levied from the opposition groups in Iran had taken part in the Karbala 5 offensive where they formed the BADR brigade. They had suffered 120 dead in the early stages of the offensive.

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RELS/87/0232   10 February 1987

IRAN/IRAQ: THE BATTLE OF BASRA

1. In the southern sector of the Iran/Iraq front, intense fighting continues around the salient east of Basra created by the Iranians since they launched Karbala Five on 9 January. In the past 3 weeks the Iranians have failed to make further progress except in the centre of the salient, where they have edged up to, and just across the Jasim river. On 27 January, an Iraqi divisional counter-attack (10,000 men) in the northern part of the salient pushed the Iranians back from positions along the south-western shore of Fish Lake. On 31 January, elements of 2 further divisions, aided by extensive artillery support, pushed some, but probably not all of the Iranian footholds back to the Jasim river. The front line is still fluid, but both sides are digging in and it is beginning to look as if the Iranian advance has come to a temporary halt in the face of the remaining massive Iraqi defences (including about 90,000 men) protecting Basra. Casualties are extremely heavy, estimated at the end of January at some 45,000 Iranian dead and wounded, and 20,000 Iraqis. The Iranians continue to bring up reinforcements and material from supply depots in the southern sector, and the call-up of another draft of Basij volunteers was announced in Tehran last week.

2. Behind the front, Iraq is maintaining frequent air raids on civil targets in Iran, many of them for the first time in the war. Iranian Foreign Minister VELAYTI claimed that Iraq had killed 2,000 civilians and injured 7,000 between 10 and 28 January. In the Gulf, Iraqi planes have attacked 9 oil /tankers. ...

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tankers so far this year and Iranian frigates have attacked 6 ships. The Iranians have also carried out limited air raids and artillery attacks on Iraqi towns near the border, launched 9 SCUD missiles on Baghdad since 1 January, and kept up their bombardment of Basra. (Iran is unlikely to have received further supplies of SCUD since last summer, and may now have fewer than 15 in stock.) The population of Basra seems to have settled down to the new situation and the flow of refugees leaving the town has almost ceased. In Baghdad the atmosphere is calm, with none of the the signs of tension apparent during the battle of Al Faw in February last year.

3. The Iranians boycotted the Islamic Conference held in Kuwait on 26-29 January in protest at the meeting being chaired by a supporter of Iraq. They probably instigated sabotage attacks on Kuwaiti oil installations, and fired 2 missiles - either STYX captured from the Iraqis at Al Faw, or SILKWORM delivered from China in 1986 - which landed on unpopulated Kuwaiti territory. On 23 January, President REAGAN again expressed support for the Gulf States and on 28 January, 2 US warships moved further north up the Gulf.

4. Iraq's switch from economic to mainly civilian targets seems to have hardened Iranian attitudes and has raised enthusiasm for the war. This may have removed any remaining inhibitions in Tehran over incurring high casualties, and may make it easier to call up more Basij. The territorial and propaganda success of Karbala Five must also be heartening for Iran. RAFSANJANI, the Speaker of the Majles, said on 28 January that this offensive 'must continue so that the enemy is brought to his knees'. Nor has the usually fragile /logistic. ...

logistic supply system of the Iranian Revolutionary Guard Corps (IRGC) begun to crumble seriously. Moreover, Iraq's response is being hampered by cloud cover and soft ground, on which bombs and shells fail to explode. The Iranian supply system is also benefitting from an almost static front line semi colon it would probably not sustain beyond a few days any break-through causing longer and more perilous lines of communication.

5. With its declared objective in Karbala Five of 'smashing the Iraqi war machine', Iran no doubt calculates that a battle of attrition near Basra will work in its favour. It may therefore continue to pour troops into the salient not only to press ahead, but also to force the Iraqis into battle and further losses. Alternatively, Iran may choose to probe the Iraqi line north or south of the salient to test enemy alertness and open up a new threat to Basra, either directly or by encirclement. The Iranian leadership may see advantage in encircling Basra, cutting it off from Baghdad and the Gulf, rather than incurring casualties in capturing the city. There is still a concentration of Iranian regular army divisions on the central front, where skirmishing has continued since Karbala Six was launched on 13 January, with some minor territorial gains for Iran. The fighting here could develop into diversionary or alternate attacks.

6. Iraq's divisional counter-attacks on 27 and 31 January are the first real signs that the Iraqi high command is prepared to risk further casualties in order to push the Iranians back, but there is still no sign of the sustained and costly counter-offensive which would be required to reduce the /salient. ...

salient completely. The Iraqis may have responded because they judged that the Iranian positions on the south-west bank of Fish Lake (which were relatively exposed anyway) seriously threatened their overall defence plan. It is not clear how many casulaties the Iraqis incurred, but the counter-attacks should nevertheless have helped Iraqi morale by stopping the advance. The Iraqis are extremely concerned over Karbala Five. Their engineers are energetically improving defence works between Basra and the salient, and on the south bank of the Shatt Al-Arab. The Iranians face a series of minefields, gun and tank emplacements, wire and water obstacles, including the 500 metre-wide Shatt. But the Iraqi defences are hampered by a lack of night surveillance equipment and inflexible artillery techniques, which have benefitted Iran's suicidal infantry attacks against the lesser defences so far encountere- d. Iraqi counter-attacks in daylight have been less effective through lack of infantry support, and possibly through increased use of TOW anti-tank missiles by the IRGC. Away from Basra, the Iraqis have thinned out the line and deployed the strategic reserve forward, in order to continue reinforcing Basra, to replace depleted units and possibly to mount further counter-attacks. These movements make it difficult to assess Iraqi competence to contain attacks elsewhere.

7. Both sides have invested very high stakes in what has become a major test of strength. The Iraqis can prevent the Iranians from breaking through to reach Basra, but will probably not be able to restore the front line along the border. the Iranian advance has not led to a mass exodus from Basra, under intensified bombardment, nor obviously undermined SADDAM HUSSEIN's position, but it will be seen by both /adversaries. ...

adversaries as another step on the road to a possible Iranian victory. The Iranians have the initiative and there is no reason for them to hold back. Every day puts further pressure on Iraq, which could possibly be caught off balance by a new attack.

8. The situation is not desperate, but the actual capture or encirclement of Iraq's second city would be a very serious blow, as well as a strategic loss threatening the Zubair oil-field and the Baghdad-Kuwait route carrying most arms supplies. If the Iranians gain a hold on Basra it will weaken SADDAM HUSSEIN's position and Iraq's ability to resist. The government's capacity to absorb the loss of the city might be determined by the pace of events, with a gradual decline in postion allowing the Iraqis to adjust to new losses. Iraq has not been overwhelmed at tactical level, and Iran has failed to create a strategic breakthrough. However, Iraq is facing its most serious test in the war so far.

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RELS/87/0097 15 January 1987

CURRENT INTELLIGENCE SUMMARY:

IRAN/IRAQ:

ANOTHER ROUND OF FIGHTING

1. On 9 January 1987 at least four divisions of the Iranian Revolutionary Guard Corps (IRGC) launched an attack, code-named KARBALA FIVE, against Iraqi defences on the international border 20 kms east of Basra. It was very similar to the KARBALA FOUR attack on 24-25 December: there was no evidence of preparation and the Iranians are suffering heavy casualties. However, this drive was concentrated on a shorter front, in what appeared to be a probing attack between a man-made lake (The Fish Lake) within 14 kms of Basra and the Shatt al-Arab. By 12 January the IRGC had gained a salient 6 kms deep, but Iraqi forces counter-attacked on the same day and claim to have eliminated the Iranian foothold west of Fish Lake. President SADDAM HUSSEIN visited the battlefield on 12 January and said he was satisfied with the Iraqi reaction. The concentration of Iraqi artillery and multiple lines of defence appear temporarily to have stopped the Iranian advance, but the Iranians are again proving difficult to dislodge. The scale of Iraqi reinforcements to the area suggests a determination to prevent the Iranians from building up a bridgehead.

2. Iran has continued its artillery bombardment of Basra, which was one of its few options for retaliation against Iraq's relentless air offensive on Iranian economic targets. Iraq has consequently resumed its attacks against Iranian cities and has bombed several since 9 January, including the /holy ...

holy city of Qom, for the first time, and released two SCUD missiles. Iran has responded with three SCUDs on Baghdad and 'short-range' missiles on Basra. On 12 January Iraq bombed nine Iranian towns and declared that all the cities would be attacked if the Iranian bombardments did not cease. Iraq's decision to return to civilian targets, as well as continuing its strikes against economic targets, is a significant political escalation of the war. In the Gulf Iranian frigates have already attacked three ships with Kuwaiti cargoes and one ship leaving the UAE this year. The Iraqis have continued attacks on Iranian oil installations and shuttle tankers.

3. The Iranians claim that KARBALA FIVE was launched to 'punish Iraq' for using chemical weapons against KARBALA FOUR and to 'crush the Iraqi war machine'. But the Iranians probably wish to recover some prestige after the defeat of KARBALA FOUR and boost domestic morale. There are still massive defences and the Shatt al-Arab waterway between the Iranians and Basra, but if they hold the salient, Basra will be within range from Iranian artillery. The offensive may also have been intended to draw in Iraqi reserves to weaken defences in the centre. Furthermore, the Iranians may consider that a campaign of attrition, even without a breakthrough in sector, is beneficial in lowering Iraqi morale. There are still some 9 uncommitted IRGC divisions in the southern sector, which could be used to attempt a breakout from the salient, if the Iraqis do not push it back quickly.

4. The Iranian build-up in the central-sector has continued. There are elements of up to 7 divisions (90,000 men) in the

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area from Qasr-e-Shiri- to Sumar. Iraq still has more than 20 brigades facing Iran in the central sector, but Iraqi attention there may have been distracted by the offensive in the south. On 15 January both sides confirmed that a new offensive, KARBALA SIX, has been launched on the central front east of Baghdad, near the Iranian city of Sumar. The attack, which has caused heavy casualties, is believed to be an Iranain tactic to ease pressure on its forces in the South.

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RELS/87/0347 25 February 1987

CURRENT INTELLIGENCE SUMMARY:

THE SOVIET UNION'S RELATIONS WITH EASTERN EUROPE.

1. The Soviet Union and the countries of Eastern Europe (Bulgaria, Czechoslovakia, German Democratic Republic (GDR), Hungary, Poland and Romania) are often referred to as a 'bloc'. Soviet policy towards them, however, is not uniform. Friction exists on a wide range of issues, both with the Soviet Union and among the Eastern European countries themselves. These differences are generally manageable, and GORBACHEV has described the Soviet aim as being 'unity but not uniformity'. But the Russians are aware that most of the peoples of Eastern Europe are at heart anti-Russian and anti-Communist. The fact that the Russians have maintained overall control so far, despite recurring crises, does not lessen their concern for the future.

2. In Soviet eyes, Eastern Europe is a crucial buffer zone between them and the West, from which, throughout history, Russia has faced repeated attacks. Since Communist parties seized power in Eastern Europe after the Second World War, Soviet objectives have been to ensure that they stay in power, maintain their leading role, keep public order and that their countries remain loyal members of the Warsaw Pact. Where these fundamentals have been threatened, the Russians have sometimes intervened militarily. After the invasion of Czechoslovakia in 1968 this became known in the West as the 'Brezhnev doctrine' - the internationalist duty of the Soviet

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armed forces to defend the gains of socialism in other countries. GORBACHEV has publicly reasserted this doctrine.

3. In the normal course of events, however, there are limits to the Soviet Union's ability to exercise direct control over internal affairs. Power is generally exercised through local parties. This inevitably means that the Soviet Union has to accept a degree of local diversity. Soviet ideology acknowledges that there can be more than one way to build socialism; this was again confirmed in the late 1986 Soviet Party Programme. Internal compromises have in many cases been accepted where these do not directly challenge the supremacy of the Party, although the Russians watch carefully to ensure that fundamental requirements are not jeopardised.

4. The Eastern European economies (Romania to a lesser extent) are largely dependent on the Soviet Union for supplies of raw materials and fuel. In return, they export manufactured goods and food. But over the past ten years the Eastern Europeans have benefitted most from economic relations. They have run deficits with the Soviet Union and have, in a sense, been subsidised by the Russians. Romania, Hungary and Poland also ran up large debts with the West and have suffered protracted payments difficulties. Romania and Hungary have had IMF adjustment programmes which temporarily took some policy decisions out of the authorities' hands. Living standards have suffered in Poland and Romania. Bulgaria and Czechoslovakia adopted more cautious economic policy, but this put a brake on economic growth. Investment throughout Eastern Europe, except perhaps in the GDR, has been constrained. These developments have discomfited the Russians. They have seen some of the Eastern /European ...

European countries become increasingly open to Western influence on economic policy making. They also resent the fact that the Eastern Europeans export their highest quality goods to the West, to meet their debt servicing obligations, at the expense of deliveries to the Soviet Union. The Russians, whose economy is also under strain, have been pressing the Eastern Europeans to increase and improve the quality of their exports to the USSR.

5. Eastern European support for the Soviet Union's foreign, arms control and defence policies is of fundamental importance to the Russians. They keep large numbers of troops stationed in most non-Soviet Warsaw Pact (NSWP) countries to face the 'NATO threat' and no doubt to serve as a visible reminder of Soviet ability and willingness to intervene militarily to preserve Warsaw Pact cohesion. The Russians' basic objective is to ensure that, in war, the NSWP forces will fight on their side, and that there will be no risk of sabotage to their lines of communication. This is particularly true in the case of the 'Northern Tier' countries - Poland, GDR and Czechoslovakia - where the first two are assigned an offensive role, and have modern equipment and appropriate training. But aspects of Soviet defence policies, such as the stationing of SS-12 missiles in the GDR and Czechoslovakia in 'response' to Western deployment of Cruise and Pershing II, have caused some public disquiet in the countries concerned. The presence of Soviet troops also tends to be a source of friction, as well as constant Soviet pressure on the Eastern Europeans to spend more on defence. The Russians may still be unsure about how their Warsaw Pact allies would respond in a crisis. They must be aware, for example, of an incident at a mass oath-taking

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ceremony in Poland last summer when a number of Polish recruits remained silent during that part of the oath related to defending the peace 'in fraternal fellowship with the Soviet Army and other allied armies'.

6. Relations between the Eastern European countries and their Western counterparts are a sensitive issue for the Russians. On the one hand, the Soviet Union benefits directly or indirectly from any inflow of Western technology. In political terms, closer relations between Eastern and Western Europe fit in with Soviet efforts to foster a sense of 'Europeanness' and to weaken United States influence on the continent. On the other, the Russians are well aware of the potential risks of intra-European links, particularly between the two Germanies. In 1984 the Russians had to exert strong pressure on the GDR leader, HONECKER, and the Bulgarian leader, Zhivkov, to dissuade them from visiting the Federal Republic of Germany at a time considered inappropriate by the Russians because of the recent deployment there of Pershing II missiles.

7. Developments in Soviet thinking, and East European Reactions

Under GORBACHEV, the Russians have drawn attention to the USSR's political and economic failings, and to the crises which will befall the socialist countries if they do not all work together. They have consequently adopted a more sophisticated way of dealing with their allies, and are making a greater effort to consult, or at least inform them, in both the Council for Mutual Economic Assistance (CMEA) and the Warsaw Pact, in order to improve coordination. The Russians want to modernise the economic and technological base of the CMEA

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so as to reduce their vulnerability to the West and boost consumer prosperity. The Eastern Europeans generally support this, and some favour greater harmonisation and integration in certain areas, but others have reservations. Although Soviet legislation now permits joint ventures with CMEA (and other) countries, there seems to be little enthusiasm in Eastern Europe. Intra-CMEA trade growth rates are declining.

8. The Soviet Union has recently given fresh impetus to the CMEA's attempts to enter into official relations with the European Community, and has conceded that, in parallel, individual Eastern European states may recognise the EC and negotiate bilateral agreements with it. The Russians are aware that Eastern Europe needs to maintain economic links with the West to avoid falling too far behind, and they may calculate that this exercise can be used to achieve greater influence over Eastern Europe by enhancing the status of the CMEA. The Eastern Europeans, by contrast, will want their respective agreements with the EC to earn hard currency, attract Western investment, and fend off Soviet attempts to develop CMEA integration faster or further than they might wish. Economic pressures may also prevent the Eastern Europeans from meeting the increased defence spending demanded of them.

9. GORBACHEV must want to improve efficiency in Eastern Europe, but he has not so far called specifically for 're-structuring' to be applied outside the Soviet Union. Some of those states are clearly more advanced than others in adopting that kind of political and social reforms that he is seeking in the Soviet Union. A recent meeting of Soviet and Eastern European ideologists in Warsaw acknowledged the need to explain /convincingly ...

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convincingly 'the expansion of public participation' in all areas of society - 'democratisation' being one of GORBACHEV's key themes. However, he will be aware that over-hasty attempts to promote change in Eastern Europe could be profoundly unsettling.

10. The Eastern European leaders are watching GORBACHEV's attempt at 'restructuring' very carefully, and with differing degrees of enthusiasm. They are probably as uncertain as Western observers about the speed, scope and permanence of the process in the Soviet Union. Some already feel that they are ahead of the USSR in important respects, and do not need to change. By anology with the 1956 de-Stalinisation process, they may be concerned that some changes may still be expected of them, and that these could be difficult to control. Most of the present leaders are the elderly counterparts of the 'old guard' whom GORBACHEV has been removing from the Soviet power structure. Not all are unnerved by his reforms: JARUZELSKI has supported the thrust of GORBACHEV's economic and political policies within the Warsaw Pact and the CMEA, and the Hungarians see in some of the Soviet leader's remarks a vindication of their own approach. But reaction elsewhere has been lukewarm.

11. Differences were highlighted by the response of several Eastern European leaders to GORBACHEV's hard-hitting speech at the Soviet Plenum in January, which criticised past failings in the USSR and called for radical changes. Although the Czechoslovak leadership has publicly endorsed GORBACHEV's new policies, a senior Party official, Bilak, warned on 10 February (while ostensibly paying tribute to recent Soviet developments) /that ...

that some people in Czechoslovakia were trying to exploit the changes occuring in the USSR and concelaing their 'anti-popular and anti-socialist activities'. In the GDR, HONECKER made a long speech on 6 February expressing great pride in the GDR's socialist achievements, pointedly ignoring recent developments in the USSR, and admitting virtually no errors in socialist democracy as already developed in the GDR. It may be no coincidence that the Soviet Foreign Minister visited Czechoslovakia and the GDR just after the Soviet Plenum. The Romanians are the most recalcitrant of all. CEAUSESCU made a highly dogmatic speech only the day before GORBACHEV which made clear that economic and political reforms were not on the agenda. Party newspapers in the GDR and Romania carried only abbreviated accounts of GORBACHEV's main speech.

Prospects

12. Most of the Eastern European leaders are in their mid-seventies, several have health problems and could die before long. Although Moscow cannot simply impose successors, Soviet views carry weight. The Russians will want future leaders to prove reliable, and to be able and willing to introduce any necessary changes without provoking discontent or unrest. Nevertheless, there remains a possibility of internal unrest, particularly in Poland, if the government introduces the sharp price rises needed to rescue its economy. The Polish security forces could probably cope with any spontaneous disturbances. In Romania, although the situation continues to decline, there is unlikely to be open dissent. In the other East European countries, there is also little likelihood of unrest at present.

13. On the economic front, GORBACHEV will expect more from /the ...

the Eastern Europeans, both in terms of quality and quantity, than they are used to supplying. They recognise the importance of the Soviet Union as a market, and as almost their only supplier of key raw materials and energy, but in the short to medium term many of them desperately need to export all they can to the West to earn hard currency. Pressure to divert better quality exports to the USSR is therefore unwelcome. Romania, Hungary and Poland cannot meet both Soviet demands and hard currency debt servicing requirements without taking sharp cuts in living standards. The GDR is also likely to prove a difficult partner. It has concentrated almost exclusively on domestic development and shows little interest in expanding its involvement with the USSR. All the East Europeans will have trouble meeting Soviet demands without stifling their own investment needs which, in turn, would thwart the very modernisation that they all see as vital. All the CMEA economies lack the high quality, high technology industrial bases needed to underpin their revitalisation. The Eastern Europeans could use all the goods the Russians want for their own development. However, they also need Soviet raw materials, and with poor hard currency earning prospects they cannot turn to Western sources. The Russians may at times be unsympathetic towards the Eastern Europeans, who on the whole enjoy a higher standard of living. Economic problems will therefore be acute and relations occasionally tense. GORBACHEV may also be concerned at the prospect of the West exerting greater political leverage in Poland and Hungary through the IMF.

14. It is unlikely, overall, that the undoubted tensions between the Soviet Union and the Eastern European countries

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will seriously destablise relations in the forseeable future. Despite historical and existing frictions between the two sides, and between individual states, Eastern European leaders realise the Soviet Union's determination to maintain cohesion, and tailor their actions accordingly. The same will probably be true under future leaderships. The Warsaw Pact is therefore likely to stay together as a military alliance. The Russians should be reasonably confident that NSWP forces would defend their homelands if attacked, but it is questionable how reliable they might prove in other circumstances. The Russians would no doubt hope to ensure their loyalty during the initial stages of any attack on the West, and would probably depict any war as the result of a NATO attack, but the loyalty of NSWP forces might later be influenced by the course of the conflict. In a real East/West crisis even Romania might conform to the Warsaw Pact. Minimum Soviet security requirements will probably continue to be satisfied.

15. In the last resort, the Soviet Union can retain control through military power. GORBACHEV is no more prepared than BREZHNEV was to see an Eastern European ally drift out of the Soviet orbit. The Soviet Union would feel obliged to intervene militarily if the cohesion of the Warsaw Pact were threatened. But the price would be very high, and GORBACHEV would no doubt make strenuous efforts to persuade, or induce the country concerned to solve its problems internally, as was the case with Poland in 1080-81, before resorting to miltary intervention.

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RELS/87/0120 21 January 1987

CHINA: HU YAOBANG'S RESIGNATION

1. On 16 January the New China News Agency (NCNA) announced that HU YAOBANG, General Secretary of the Chinese Communist Party (CCP), had offered his resignation after making a self-criticism of his political mistakes. The political bureau of theCCP accepted his resignation and elected Premier ZHAO ZIYANG as acting General Secretary. No replacement for ZHAO has yet been named and he now holds both posts. These changes follow a period of uncertainty over HU's standing. He has not appeared in public since the end of December, and there are media reports that DENG criticised him strongly at a leadership meeting in the first week of January and possibly earlier. At least for the present he retains his posts as member of the Central Committee and Standing Committee of the Politburo.

2. Although HU YAOBANG has been regarded as DENG's protege for many years, he has often been the target of internal Party criticism. He appeared to command insufficient respect to take the chair at last year's Party plenum on political reform, leaving DENG to take his place. Despite his position in the Party, HU has also proved unacceptable to the armed forces and has not been elected Chairman of the Military Commission to replace DENG, as the latter originally wished. He has committed several public gaffes and, unusually amongst the CPC leadership, often departs from his text in formal speeches. He is personally associated with political reform and a degree of liberalisation. In the eyes of DENG and important elements of the Party, the final factor contributing to HU's failure was probably to allow the /students. ....

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student demonstrations to continue unchecked to the point where they threatened public order and the Party's control of events. Besides HU, the president and vice-president of Hefei Science and Technology University, where the demonstrations started with the latter's encouragement, have been dismissed. Two well known writers have been expelled from the Party. The dismissal of the head of the propoganda department of the Party is also rumoured.

3. There was already speculation that HU might retire at the Party Congress to be held later this year. However, the sudden leadership change in circumstances of political difficulty, the other dismissals and the current press campaign against 'bourgeois liberalisation' indicate a check to the reform process and a serious reverse to the aspirations (officially encouraged in the summer) of intellectuals and students for greater self expression. It also suggests that conservative forces enjoy greater strength and that sensitivity to political reforms is sharper than originally supposed. There have been similar checks to liberalisation in the past, notably the 'Spiritual Pollution' campaign of 1983/4. But this reverse is more serious. DENG has had to take several steps back in self-defence.

4. One consequence will be that intellectuals and students, to whom the leadership are looking as important actors in the reform process, will once again feel let down, alienated and disinclined to take risks to improve China's economic performance. Another is likely to be that political reform, which leaders were earlier stressing as a necessary dimension of economic reform, will be brought to a virtual standstill. As regards economic reform, the NCNA /statement. ...

statement on HU's resignation emphasised that the "all-round reforms and the policies of opening to the rest of the world and invigorating the domestic economy would continue" and DENG himself reassured a visiting Japanese about foreign investment. But the economic reform programme is now likely to be pursued more cautiously. The government announced this week that the prices of basic commodities would not be changed this year, thus removing for the time being the central element of price reform from the economic agenda. Other particularly sensitive aspects of the economic reform programme may now be postponed.

5. ZHAO ZIYANG's move into the Party General Secretary's post is not unexpected. ZHAO, known as a committed economic reformer, is thought to be more conservative in matters of politics (he is Chairman of the Preparatory Committee on Political Reform). There are several contenders for ZHAO's position as Premier. HU QILI, the permanent secretary of the Politburo Secretariat, and one of the leading members of the third echelon of Party leadership, was once considered a strong candidate to fill HU YAOBANG's post; but he is a liberal who has been closely associated with HU YAOBANG, and is now unlikely to do so. QIAO SHI and LI PENG (both Deputy Prime Ministers) and LI RUIHUAN (Mayor of Tianjin) are also rumoured to be in the running for the post. But there is sufficient time before the October Party Congress for other candidates to emerge.

6. HU's departure will dishearten the intellectuals but reassure the mid level party cadres: they will interpret it as a sign that their control will no longer be subjected to the same intensity of public questioning as in recent months.

/They. ...

They will understand that DENG's four cardinal (and fairly conservative) principles - the socialist road, the people's democratic dictatorship, the leadership by the Communist Party, and Marxism - Leninism and MAO ZEDONG philosophy - are to be maintained and that there will be no more open debate of Party politics.

7. DENG himself clearly remains in charge, but at the cost of having to assert the primacy of Party discipline over the liberal tendencies to which his reform process has inevitably given rise. He has also had to dismiss a senior and, at least until recently, trusted protege in unfavourable circumstances. it must appear to DENG that only he can keep the reform process on its precarious tightrope and he now clearly feels unable to retire at the Party Congress. The balance is likely to be continued, but with cautious economic reforms in the framework of ideological discipline. However, the timetable for reform and the plans for leadership changes will now have been severely disrupted.

8. In Hong Kong, HU's sudden departure will dent the image of stable government in Peking and cause concern about the effect on Hong Kong's future (the Hong Kong index suffered the largest drop for 19 months on the news of HU's resignation). The dismissal of intellectuals will also raise fears for the future. But there will be some comfort in the appointment of ZHAO ZIYANG, recognised as a pragmatic reformer and supporter of the current joint proposals. Chinese spokesmen in Hong Kong stressed that Chinese government policies towards Hong Kong will not be changed by HU's resignation.

9. More widely this episode will be seen as a reminder

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of the perils of reform within a socialist society. In the Soviet Union it may provide comfort to those who oppose GORBACHEV's reforms.

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CURRENT INTELLIGENCE SUMMARY

RELS/87/0128   23 January 1987

SINO-VIETNAMESE BORDER CLASHES

1. On 5 January, fighting broke out again on the Sino/Vietnamese border. Vietnam said that a Chinese infantry division had launched a series of attacks on Vietnamese hilltop positions in the Ha Giang area of Ha Tuyen province, allegedly supported by a barrage of some 50,000 mortar and artillery shells. (Chinese artillery usually fire 1-3000 shells a day into Vietnamese positions in this area of the border.) Vietnam claimed that its forces had killed 1,500 Chinese troops and offered to let the Chinese reclaim their dead. However, a Chinese spokesman asserted that their border guards had repulsed a Vietnamese intrusion with heavy Vietnamese losses.

2. It is not known which side started this round of fighting it was probably the Chinese, who have launched most of the attacks since 1979. This month is the eighth anniversary of the Vietnamese invasion of Cambodia, and China may wish to remind Hanoi that withdrawal from Cambodia is the condition for any improvement in relations. It also predeces a visit to Thailand by the Chinese Chief of Staff and his senior deputy, which will draw attention to Chinese support for the Cambodian resistance forces based there, and implicitly warn Vietnam against further incursions into Thailand. There could also have been an element of military opportunism. The Chinese normally station parts of an army group in this sector of the border. At present a rotation is in progress.
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Similar rotations in the past have shown attempts to make small tactical gains.

3. There is nevertheless a possibility that the Vietnamese started the fighting to distract attention from the internal leadership struggle, or simply to destroy Chinese artillery positions inside Vietnamese territory. But there were no signs of the essential military preparations for an attack on a much larger Chinese force, and without which an attack would have been very risky. Nor was there any sign of the Chinese side of the movement of air force or other specialised units which would be necessary for a planned escalation of the fighting. Vietnam has not moved reinforcements into the area, and its army newspaper stated on 7 January that Vietnam was prepared for talks with China on normalising relations, echoing the call made to the Vietnamese Communist Party Congress in December by the second senior Soviet Politburo member, LIGACHEV.

4. While the latest clashes are heavier than in recent years, they do not approach the scale of the 1979 attacks when China deployed 10 army groups against Vietnam. The new fighting seems unlikely to spread out of the Malipo-Ha Giang salient, which is a traditional area for both sides to make a military gesture without the risk of it being taken as a real threat. China is probably reminding Hanoi's new leaders that its policy of a 'thousand thorns' will continue as long as Vietnamese troops remain in Cambodia. China has also demonstrated to Thailand and the Cambodian resistance its solidarity with those threatened by Vietnamese expansionism. The clashes are unlikely to affect Sino-Vietnamese relations, which were already poor.

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CURRENT INTELLIGENCE SUMMARY:

SOVIET UNION:
THE CENTRAL COMMITTEE PLENUM

RELS/87/0231 10 February 1987

1. After much delay, the Plenum of the Soviet Communist Party's Central Committee was held on 27/28 January. GORBACHEV's report, delivered on behalf of the Politburo, opened with the most far-reaching and comprehensive criticism he has yet made in public about the failings of previous leaderships. He accused them of lack of foresight, authoritarianism, simplistic interpretation of LENIN's ideas, ostentation, and of allowing 'extremely ugly' breaches of socialist legality. He reaffirmed his commitment to restructuring, 'democratisation' and 'openness': "We must not retreat and do not have anywhere to retreat to".

2. The main novelty of his Report was to introduce the principle of electivity in Soviet institutions where it had not previously existed or had been a mere formality. In the sphere of production he proposed the election of officials up to and including factory managers (this will shortly be reflected in a draft Law on State Enterprises). In the Soviet Parliamentary system he proposed the discussion of several nominees at pre-election meetings. For the Party itself he suggested, more tentatively, that local Party Committees up to the level of Union Republics should be allowed to elect their officials by putting forward an unlimited number of candidates of their own choice and voting in secret. Under the present /system, ...

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system, the candidate 'recommended' by the immediately superior Party Committee is elected unanimously by a show of hands. GORBACHEV said that the Politburo believed that further democratisation should apply to top Party bodies. In his view this was wholly logical and should be complemented by a genuine accountability of elected officials, by greater 'openness' (which GORBACHEV proposed should be protected by law) and by more impartial functioning of the legal system itself.

3. The Resolution adopted at the end of the Plenum endorsed most of the main points of GORBACHEV's report. In particular, it endorsed accountability - noting that the people's right to evaluate the activities of officials should include removing those who were unable to cope with their duties - and the renewal of cadres, where the infusion of new blood was described as essential. It agreed that managers of enterprises etc., should be chosen from a range of candidates, and echoed GORBACHEV's statement that elections enhanced, rather than undermined, prestige. The Resolution also endorsed additional measures to increase openness, but in less enthusiastic terms than GORBACHEV's. It gave general approval to the extension of the electoral process to the Party, but stopped short of specifically endorsing such points as the election of Party Secretaries, and possibly even the leading bodies of the Party, by secret ballot. Nor did it refer to GORBACHEV's proposal for a Party Conference.

4. A number of personnel changes were announced at the Plenum. KUNAYEV, the former First Secretary of Kazakhstan, whose replacement by an ethnic Russian sparked off the Alma-Ata riots, /lost ...

lost his Politburo seat as expected. SHCHBERBITSKY, still in office as Ukrainian Party First Secretary, was not expected to go at the Plenum. An elderly Party Secretary, ZIMYANIN, retired. There were three promotions. YAKOVLEV, currently the Party Secretary responsible for propaganda (internal and external) and culture, a key figure in the policy of openness, was made a Candidate (non-voting) member of the Politiburo, while retaining his Party Secretaryship. SLYUNKOV, the Byelorussian Party First Secretary and already a Candidate Politburo member, became a Party Secretary. His background is in machine-building and in the State Planning organisation. LUKYANOV, a legal specialist, Head of the Central Committee's General Department, became a Party Secretary.

5. The concept of 'democratisation' does not imply a movement towards democracy as known in the West. Only members of the relevant Party Committees will be able to elect senior Party officials,not the public at large. GORBACHEV also stressed that his proposals did not affect the principle that the decisions of higher bodies are binding on all lower Party Committees, including on cadre matters. GORBACHEV does not intend 'democratisation' to lead to a weakening of the Party's control of all areas of Soviet life, let alone political pluralism. This is still unthinkable in the Soviet Union. His purpose is to make the existing machinery work more efficiently by inculcating a sense of reponsibility among officials and a feeling of involvement among ordinary people. The concept of 'openness' is also very limited by Western standards and is a means to an end. Its purpose is to harness the media and public opinion to the Party's current policies by encouraging them to expose abuses. But the inherent paradox in GORBACHEV's /suggestions ...

suggestions for democratising the Party remains: its power has lain in its centralism, a principle which GORBACHEV simultaneously reaffirmed.

Opposition to GORBACHEV

6. The repeated delays over holding the Plenum, which was originally announced by GORBACHEV in July 1986, fed speculation that there were serious disagreements among the leadership about personnel changes and the introduction of new measures. By not holding the Plenum within six months of the previous one, the Party violated its own Statutes, which suggests that lengthy discussions were required to reach an agreed position. But it is not known whether GORBACHEV had to make any compromises in the preparation of his Report. Some of the more controversial proposals, such as the election of Party Secretaries, are cast in a rather vague way. This may reflect some unease among his Politburo colleagues, particularly about the pace of change and the practical implications of the proposals, as well as a general awareness in the Politburo of the likely opposition such radical reforms would encounter at lower levels of the Party.

7. However, the end result is by no means a set-back for GORBACHEV. Members of the Central Committee may have expressed anxiety about his emphasis on openness, since part of his concluding speech reads as an attempt to allay fears that openness might be abused. But overall the Central Committee's Resolution endorses a number of proposals which, by Soviet standards are significant. GORBACHEV probably accepted that some of the more radical ideas, such as democratisation, would need further discussion within the Party. He made it clear in his /concluding ...

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concluding speech that the Party Conference would indeed be held next year. He no doubt hopes to use this device, which has been back on the Party Statutes since 1966 but never put into effect, to broaden discussion and help fill in the five-year gap between Congresses.

8. The people promoted are likely to be supporters of the broad thrust of GORBACHEV's reforms. YAKOVLEV is a close protege; SLYUNKOV and LUKYANOV are both men who came to prominence after BREZHNEV's death. The appointment of the latter two strengthens still further the position of GORBACHEV appointees in the Secretariat, the body responsible for implementing and controlling the Party's policy. The composition of the Politburo, on the other hand, has not changed so dramatically, with over half the full members pre-dating GORBACHEV's appointment as General Secretary. It would have been a clear gain for GORBACHEV if the Moscow Party leader, ELTSIN, an outspoken supporter of reform, had been promoted from Candidate to full Politburo membership. But his Moscow bailiwidk is still under a cloud since he inherited it from the disgraced GRISHIN a year ago, and those members of the Politburo for whom ELTSIN's maverick style is probably distasteful may have successfully demanded that he should have more time at his present status to prove that his deeds match his words.

Prospects

9. GORBACHEV's speech contained a number of references possibly intended to reassure the Party faithful. Despite his strong criticism of the BREZHNEV years and leadership failings, he was careful to acknowledge that many people in the Party had constantly fought against negative phenomena. He emphasised /that ...

that the aim of democratisation was not to break up the Soviet political system. He paid tribute to the 'hundreds and thousands of marvellous workers. who had devoted themselves to selfless service to the Party. But these reassurances are unlikely to satisfy the ideological hardliners and middle-level Party bureaucrats, who will see in GORBACHEV's latest proposals a further threat to their views and livelihoods, and will no doubt continue to oppose many of the new reforms. Given the doubts that may exist also at the higher levels about the pace of change and its implications, there could be further delays in the implementation of some of GORBACHEV's more revolutionary ideas, such as cadre renewal and election by secret ballot. Nevertheless, the Politburo has endorsed a number of radical proposals, and there is no evidence of coherent high-level opposition to GORBACHEV's policies.

13. GORBACHEV remains committed to his basic objectives and is determined to make the Soviet machine work more efficiently. Democratisation is his means to that end. Without democratisation, he said in his concluding speech, restructuring would be choked. GORBACHEV will no doubt hope to use the next Plenum, which is to discuss 'the functioning of the socialist system of economy, many aspects of political and social life, and the style and methods of party work', and next year's Party Conference to keep up the pressure for change.

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~~RELS/87/0~~017 20 January 1987

VIETNAM: LEADERSHIP CHANGES

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1. The resignation of three of Vietnam's top leaders at the Communist Party Congress in Hanoi on 17 December, and their replacement by economic reformers, has raised the possibility of internal and external policy changes. President and Communist Party leader TRUONG CHINH (79), Prime Minister PHAM VAN DONG (80) and the fourth senior member of the Politburo, LE DUC THO (75) stepped down on the grounds of 'advanced age and failing health', but all three have been retained as 'advisers' to the 13-man Politburo a transparent face-saving formula. Three other Politburo members have been replaced.

2. Reformers inside the Central Committee and the Politburo had picked up a growing groundswell of dissatisfaction from within the Party and apparently decided before the Congress to engineer the changes. Their principal target was LE DUC THO, whose preoccupation with ideology made him an obstacle to economic reform. All three eventually bowed to the mounting pressure for change. Soviet Bloc ambassadors appeared as surprised at the announcement as their western colleagues, and it is doubtful that the Russians instigated the changes, or were even involved.

3. The new Politburo was announced on 18 December. The first six, in order of precedence, were NGUYEN VAN LIN, the new Party leader; PHAM HUNG (Interior Minister and the surviving member of the previous top leadership); VO CHI CONG (previously Vice-Premier); DO MUOI; VO VAN KIET (previously Minister of Planning a technocrat); and LE DUC ANH (previously /Chief. ...

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Chief of the General Staff). LINH, CONG and KIET are associated with economic reform. All three have been involved in the economic administration of the south after reunification. LINH appears to have returned to political favour only recently, having been out of the Politburo from 1982 to 1985. PHAM HUNG is also associated with the south, but has acted lately as Party disciplinarian and presumably will continue to do so.

4. At the opening session of the Party congress, President TRUONG CHINH apologised for the failure to meet economic goals set at the previous Congress in 1982, and admitted that the responsibility lay with the leadership. He also spoke of the need for self-criticism within the Central Committee, a purification of the Vietnamese Communist Party and a recognition of the development of small capitalist enterprises to assist in economic recovery. Vietnam depends heavily on Soviet economic and military aid, which is estimated at 3 million US dollars a day. In October 1985, TRUONG CHINH admitted that his country had squandered billions of dollars of Soviet aid. YEGOR LIGACHEV, the number two in the Soviet Politburo, promised in his address that Soviet aid to Vietnam from 1986 to 1990 would equal that given over the last thirty years, but he warned that the money and other assistance must be more carefully used.

5. LIGACHEV also called for the normalisation of Vietnam's relations with China on the basis of direct and mutually acceptable dialogue, but at the same time promised that the Soviet Union would not seek political accommodation with China at the expense of its alliance with Vietnam. China still /maintains. ...

maintains that the fundamental obstacle to its relations with Vietnam is the latter's occupation of Cambodia. Some advocates of reform may wish to look beyond economic relations with COMECON towards the West, ASEAN or even China, but this would require policy changes on Cambodia, and there is no sign of any softening on this by the new Vietnamese leadership, whatever their Soviet allies might hope.

6. The sweeping leadership changes are unprecedented in Vietnam. Their motivation appears to be a widespread desire in the Party for effective economic reform, after the failures since the last Congress. The new leaders are probably aiming for more flexible management which will take account of the better performance of the economy in the south than the north since reunification in 1975. There is also pressure for increased investment, for which the leadership can draw not only on Vietnam's manpower, but also on the Soviet aid promised by LIGACHEV. The Vietnamese people clearly expect a significant change for the better in the country's economy, and will want to see early improvement. But the Politburo's tradition of moving by consensus is strongly ingrained, and there will no doubt be resistance to change in the rigidly centralised political structure. To achieve economic improvements, the new leaders will therefore have to move quickly to consolidate their hold on the Politburo and the Party, probably by making further changes in Party appointments The fact that TRUONG CHINH and PHAM VAN DONG retain their state posts even after the National Assembly of December 1986 may mean the conservative voice is stronger than expected. The problem of introducing a younger leadership is by no means settled and further decisions may be taken later in the year.

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TEMA: Ref: Boris Vasilyevich OREKHOV.

PROCEDENCIA: E. Nlace Ingles 30/4/87 Doc 0615/87

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TEMA: Referente a diplomaticos lusos varios.

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ARCHIVAR EN: ENLACE Ingles (135/c

TEMA: Referente a diplomaticos lusos varios.

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PROCEDENCIA: E. Ingles 13/5/87 Doc. 0623/87

ARCHIVADO EN: Fichaje (B)

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RELS/86/1707 11 October 1986

CHINA: POLITICAL REFORM

1. The increasing complexity of China's economic reform has highlighted the need for more flexible political control over the economy. Chinese leaders have this year encouraged an unprecedented level of debate on political reform. But the Party Plenum last month made little progress in formulating a practical framework. It will be important but difficult to do this by next autumn's Party Congress.

Background

2. In a major speech in 1980, Deng Xiaoping attributed China's instability since the late 1950's to over-concentration of power in the hands of senior Party officials. This had encouraged arbitrary, hasty and ill-informed decisions, created a cumbersome and ineffective bureaucracy to implement them, and allowed corruption and abuse of privilege to flourish. In an unprecedented (and accurate) admission of popular alienation, Deng continued: "only when these defects are resolutely removed through planned, systematic and thorough reforms will the people trust our leadership, our Party and socialism". He listed reforms which were necessary: clear and detailed distinction between Party (strategic) and government (day to day) responsibilities; informed and frank public discussion of policy issues; the strengthening of the legal system; promotion for Party officials based on performance rather than patronage; and the creation of political, social and economic institutions, with clearly defined functions and guaranteed freedom to fulfil them without arbitrary interference from Party officials. These propositions are the main themes of the current debate on political reform.

3. Following Deng's 1980 speech, the main focus of debate remained for a long time the economic reforms. However, as their emphasis

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shifted from agriculture to the more complex urban industrial economy, and onto more sensitive issues such as prices and job security, the need for more flexibility in the political and administrative superstructure became increasingly clear.

4. There has already been significant progress in political development. Under the reformist leadership debate is shifting from ideology to rational appraisal of objective facts, particularly in the economy. Deng has greatly reduced the influence of military leaders in the political process, and made some progress in streamlining the armed forces and increasing their professionalism. The bureaucracy is gradually becoming more effective as officials at all levels are replaced by younger and better educated personnel. The Party has made strenuous efforts to train more experts, to encourage them to contribute to policy making and to institutionalise their role. In some areas and institutions, it has also introduced elections for local party and other appointments which used to be allocated, often under the influence of nepotism, from above; the new arrangements are expected to be enshrined in a State Functioneries Law currently in preparation. And there has been limited liberalisation even in the sensitive area of cultural and artistic expression.

5. Deng's agenda also requires the development of a strong and effective legal system. In the last few years, the National People's Congress and its Standing Committee have passed a growing body of laws and regulations affecting many areas of society, from land management to individual rights. More lawyers are being trained, and in greater depth (contacts with western lawyers are encouraged). The aim is to provide a comprehensive legal framework which guarantees individuals and organisations against arbitrary political interference. However, there is no absolute concept of

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judicial independence and the Party will still control the appointment of legal officials. It is too early to expect the new laws to be fully implemented with the sought-for objectivity (and foreigners - including investors in China - are likely to attach more fundamental importance to this than the Chinese themselves). Experience to date, for example in reducing Party interference in economic decision-making in enterprises (in line with regulations promulgated in 1984) suggests the difficulties will be considerable. Indeed, despite the progress achieved so far, most of Deng's criticisms of 1980 remain valid: political and administrative rigidities are still a serious obstacle to economic progress and ideological alienation persists.

Recent Developments: The Plenum

6. There were indications that Deng accordingly reactivated discussion of political reform this spring. In doing so, he may have seen the broadening of the reformist agenda into the political sphere as tactically useful at a time of consolidation on the economic front. Throughout the summer, leaders, officials and academics discussed publicly the need for political change, including in some cases vague but potentially highly controversial calls for greater democracy and artistic freedom. This generated an expectation that, at the Party Central Committee Plenum this autumn, the reformists might aim for a major step forward in redefining Chinese communism to justify the overall reform process in political terms. Communist Party General Secretary Hu Yaobang promised in August a resolution comparable in importance to the Decision on the Reform of the Economic Structure by the October 1984 Plenum, which provides the economic guidelines and justification for the economic reforms.

7. However, as the Plenum approached it became clear that, although it would discuss some aspects of political reform, it would not make real progress on a practical programme for its implementation. Deng

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said on 3 September that there had been insufficient time to prepare for full dicussion, and that political reform should be approached cautiously. The ideological resolution which the Plenum adopted on 28 September was circumspect and general. It reaffirmed the basic principles of the reformist platform, including the primacy of economic development; the importance of international contacts and of uninhibited discussion of differences; and the need to continue with both economic and political reforms. It acknowledged threats from capitalist and feudal influences and called for long term struggle against "unhealthy tendencies" (eg corruption and foreign cultural decadence). It described political reform as exceptionally complicated and requiring more research and a cautious approach. The reformists advanced in a few areas of principle, most notably with the acknowledgement that many of China's current social problems derive from "feudal" (ie domestic) rather than foreign influences. But on the whole, these familiar propositions do not help significantly to resolve the controversial ideological issues of political reform.

8. Nor is the resolution the beginning of a practical programme. It is probably less adventurous in this respect than some leaders (including Deng) would earlier have liked; and it is anticlimactic given the intensity of the debate this summer. This is not necessarily in itself a setback for the reformists. The appeal for more time no doubt reflects the leadership's wish to see the results of their experiments before reaching conclusions (for example, pilot reforms in economic management have been under way in 16 Chinese cities since May.) But it probably also reflects some controversy within the leadership over the acceptable limits of political reform, perhaps coupled with growing realization that the practical benefits of more flexible economic management cannot be secured without raising fundamental ideological questions about the proper (and by implication limited) functions of the Party. Deng's

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personal position in this is unclear. He is probably less radical than some of his colleagues (particularly Hu Yaobang). But he clearly seeks early progress on political reform.

Ideological Problems and Political Resistance

9. Deng and his colleagues have always insisted that the Party's political monopoly must remain absolute, and demonstrated this by suppressing the 1979 Democracy Movement when it began to advocate genuine democracy and pluralism. But the economic reforms have stretched the credibility of the existing ideological framework on which the Party's legitimacy depends (some leaders have already dropped the euphemism "socialist commodity economy" and advocate freely a "market oriented economy"). Underlying this tension is the widespread popular alienation from the Party caused by the misrule of Mao's latter years combined, in the 1980's, with a strengthening current of materialism and greed. So far, Chinese leaders have papered over ideological inconsistencies with the undefined concept of "socialism with Chinese characteristics", arguing that Marx and his successors could not have been expected fully to anticipate current Chinese conditions. However, this is becoming inadequate. The reformist leaders now need to redefine Chinese communism to provide a coherent framework for the reform process.

10. Such a redefinition would help in particular to deal with resistance to the political reforms. This comes primarily from two sources. Firstly, within the leadership, there remains an influential but loose grouping of ideological conservatives, centred on senior Politburo member Hu Qiaomu and probably also including veteran economist Chen Yun and perhaps, to a lesser extent, President Li Xiannian. In the successor generation, there is some evidence that Vice Premier Li Peng is sympathetic to some of their views. These conservatives consider that the stress on individual reward and increasing access to western ideas is making Chinese society too materialistic.
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They point to increased corruption and growing disparities in wealth. They regard the Party as the guardian of Chinese cultural values and are suspicious of measures which weaken its control and threaten ideological orthodoxy. They do not deny the need for a more lively and efficient economy. But they advocate a more cautious approach with greater emphasis on maintaining traditional Party values ("spiritual civilisation") and rejecting foreign cultural influence.

11. Secondly, at lower levels within the Party, a large number of officials have a vested interest in the status quo. The Party organisation was designed to control every detail of society, from economic enterprises to residential neighbourhoods. Cadres whose sole professional function is to wield this authority are now expected voluntarily to relinquish a large part of it, and to exercise the remainder under firmer legal control and in partnership with economic managers. This is not only more difficult to carry out than their previous more arbitrary forms of control, but also threatens their social status and scope for patronage. And while many outside the Party become rapidly more prosperous, there is little legitimate scope for cadres to increase their own incomes. It is not surprising that many have exercised passive, and some active, resistance to the progress of both political and economic reform.

<u>Conclusion and Outlook</u>

12. Early experience with the extension of the economic reforms into industry has shown that progress will be increasingly impeded unless political control of the economy is devolved from the centre in accordance with economically rational principles. Reform of the political and administrative structure is therefore now firmly on the agenda. But so far there has been little progress towards a practical programme which will enable the economy to flourish,

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management to be less arbitrary, but the Party to remain supreme. The recent Plenum resolution on ideology pointed to these aims, but did not grapple with them.

13. There are serious contradictions in these objectives. It is axiomatic that the Party will not accept any fundamental threat to its own power and moral supremacy. But it is not clear that economic management based on the market, competition and profit can be combined successfully with tight political control in China. It may also prove impossible to prevent unwelcome and destabilising cultural influences accompanying foreign technology, expertise and capital into China. And in the longer term the forces unleashed by encouraging the political and economic imagination of the young might prove uncontrollable. Nevertheless, the reformists are apparently convinced that such dilemmas can be avoided. Their aim is a large-scale and principally economic devolution of power within a communist framework, accompanied by institutionalised checks and balances and rational discussion. They believe that the Party can retain control of this process. The overall programme has, since Deng's ascendancy, already achieved considerable momentum despite its logically incoherent structure.

14. Nevertheless, time may be running short. Deng's authority and political skill have been vital in maintaining the strength of the reformist impulse. He is now 82. He has intimated that he wishes to retire soon - perhaps at the Autumn 1987 Party Congress - from his formal leadership positions, but so long as he remains in good health he will probably remain the final arbiter on major issues. However, his health could fail at any time. None of his proteges have yet demonstrated sufficient authority to take the political risks necessary to maintain the current momentum without his support: he has had to intervene personally in the major controversies over the reforms so far. It must be questionable whether, once he has gone, it will be possible for his successors to establish a workable new political framework.

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15. In the coming year, progress on political reform will therefore have high priority, leading up to the Party Congress. Hu Qili, who may then replace Hu Yaobang as Party leader and who will probably play a major role in formulating political reform measures, said last month that he hoped for a "comparatively complete programme" in about a year. Progress towards this in coming months would be reflected in continuing public discussion with the emphasis on the economic case for political reform. Signs of difficulty would be a complete absence of debate; or emphasis solely on the need to limit negative side-effects of the reforms. Serious economic problems would strengthen the hand of critics.

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RELS/87/0334 25 February 1987

LIBYA:

USE OF THE LIBYAN (NATIONAL) NEWS AGENCY (JANA) FOR LIBYAN INTELLIGENCE ACTIVITIES

135/C

Source description: established source quoting informants with good access

LIBIA

Date of information: 1987 01.04

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RELS/87/0334 24 February 1987

LIBYA:
USE OF THE LIBYAN (NATIONAL) NEWS AGENCY (JANA) FOR LIBYAN INTELLIGENCE ACTIVITIES

1. Libyan intelligence organisations use JANA offices throughout the world as sources of information and cover for the posting of intelligence officers.

2. The Revolutionary Committees Bureau (RCB) formally has overall responsibility for JANA and for postings to JANA offices. In practice the Amn al-Jamahiriya, Military Intelligence and the RCB Operations Room are each capable of arranging for their particular candidate to fill a JANA slot.

3. Locally engaged non-Libyan staff at JANA offices are also used by Libyan Intelligence. The LE staff are vetted by the Amn, MI and the RCB before being given employment. Some of them are recruited in order to penetrate their respective emigrant communities in a particular country.

4. In London, the head of JANA bureau is Giuma SAID MOHAMED. He is a former naval officer, who received naval training in Greece. He is also a university graduate, able and highly regarded within JANA. Whilst it was suspected that MOHAMED was a Military Intelligence officer - one of a number of officers from the armed services who were placed in civilian organisations in about 1980 - this is not certain. But whether or not MOHAMED is an intelligence officer, he would be expected to supply information to Tripoli which /would. ...

would be regarded there as intelligence.

5. The London JANA bureau employs about 15 locally engaged staff. Of these, two are believed definitely to have links to Libyan intelligence and a third, an Iraqi national taken on to the staff in 1986, is receiving a salary far in excess of normal JANA salaries which suggests he too is linked to Libyan intelligence.

TRADUCCION NO OFICIAL

USO DE LA AGENCIA NOTICIOSA (NACIONAL) LIBIA PARA ACTIVIDADES DE INTELIGENCIA. (AGENCIA JANA)

1.- Organizaciones de inteligencia de Libia hacen uso de las oficinas de la Agencia Noticiosa Nacional en distintas partes del mundo, como fuentes de información y cobertura para Oficiales de inteligencia.

2.- Anteriormente, la responsabilidad de las cargas y designaciones para la Agencia de Noticias, estaba a cargo del Buró de Comités Revolucionarios (BCR). En la práctica, el Amn al Jamahiriya, la Inteligencia Militar, y el Departamento de Operaciones del BCR, eran cada uno responsables de la designación de sus candidatos para cubrir las vacantes de la Agencia.

3.- Personal no libio, reclutado a nivel local, es usado también para actividades de inteligencia, en las distintas oficinas de JANA (Jamahiriya Amn News Agency). El personal reclutado es analizado por Amn, Inteligencia Militar y el BCR. Algunos son reclutados a fin de penetrar en sus respectivas comunidades (emigrantes) en un país en particular.

4.- En Londres, el Jefe de la Oficina de JANA es Giuma SAID MOHAMED, un antiguo Oficial naval, que recibió entrenamiento en Grecia. Es además graduado universitario, capacitado y altamente considerado dentro de JANA. Aunque se sospechaba que MOHAMED era un Oficial de Inteligencia Militar, uno de los tantos Oficiales de las Fuerzas Armadas que fueron destinados a organizaciones civiles en 1980, eso no fue comprobado. Pero, si MOHAMED es Oficial de inteligencia o no, igual se espera que suministre información hacia Trípoli, lo que sería tomado como actividad de intelgencia.

5.- La oficina londinense de JANA emplea unas 15 personas reclutadas a nivel local. De ellas,se cree definitivamente que dos tienen vínculos con la inteligencia libia, mientras que una tercera, un iraquí reclutado en 1986 y anexado al personal, percibe un salario que excede en demasía el nivel normal de salarios de JANA, lo que sugiere que también esté vinculado con la inteligencia de Libia.-

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El Salvador

RELS/87/0437 11 March 1987

CURRENT INTELLIGENCE SUMMARY:

EL SALVADOR: PROBLEMS FOR DUARTE

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1. President DUARTE's Christian Democrat government has been facing a political crisis, which has seen the resurgence of the far right. The immediate causes - changes in the electoral laws and package of new taxes - have given the opposition a platform from which to attack the government, and have provided a focus for more general discontent arising from the depressed state of the economy and a stalemate in the war. Proposed new conscription laws have added to the regime's unpopularity.

2. The campaign against changes in the electoral laws, which other parties claim favour the Christian Democrats, has focussed on the National Assembly, which the opposition has boycotted since early January. The Christian Democrats have a majority in the Assembly, but lack the votes to pass measures requiring a two-thirds majority, such as renewing the State of Emergency, which has therefore lapsed. The Army does not believe that this will jeopardise security, but fears that captured guerrillas may be released prematurely by understaffed and sometimes corrupt civilian courts. Government and opposition now seem to be approaching a compromise, possibly involving a complete review of the disputed election laws by an all-party commission, but the Assembly boycott continues. At one point, the opposition parties threatened to withdraw from the democratic process, though this always looked more of a negotiating tactic than a serious threat.

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3. The tax package, which contained a war tax to be raised by a capital levy, attracted opposition from across the political spectrum, including sectors formerly supporting the government. The left-leaning Union of Salvadorean Workers (UNTS) staged a well-attended protest march in San Salvador on 17 January. On 22 January the two main Salvadorean business organisations called a 24-hour shutdown which was over 90 per cent effective in the capital. On 19 February the Supreme Court ruled that the war tax, which was the most unpopular element of the package, was unconstitutional, thereby defusing the situation. However, the government still has to raise the revenue, and it remains to be seen whether the alternatives will be any more palatable than the original capital tax. The other elements of the package remain in place.

4. The campaigns against the electoral law changes and the tax package have included thinly-veiled calls from the right wing for Army intervention. The Army has reaffirmed its support for the Constitution and is unlikely to become openly involved, unless the situation deteriorates into total deadlock. The original tax package directly benefitted Army interests. If the Army were to intervene, it would probably favour a 'constitutionally correct' solution rather than an outright coup. Although the Army is most unlikely to intervene in the present crisis, it might do so if DUARTE directly threatened key Army interests by, for example, cutting the defence budget proceeding with widespread human rights trials for abuses committed by the military before 1984, or reaching a power-sharing agreement with the guerrillas. However, there are no signs that DUARTE intends to take any such steps.

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5. Since the brief lull following the October earthquake, the Farabundo Marti National Liberation Front (FMLN) has intensified its customary dry season offensive. Although the Army has become more effective, the guerrillas are showing greater resourcefulness, stepping up attacks on economic targets. They recently attacked several Army garrisons and mounted small operations in San Salvador itself. The guerrillas also imposed a series of two or three day transport blockages in January and February, which for the first time had some effect in the west of the country. The number of civilian deaths attributable to the FMLN has increased lately, including the killing of seven peasants in one incident at the end of January, but it is too early to say whether this heralds a change in FMLN policy.

6. On 2 February the government released 42 injured guerrillas and 57 political prisoners in exchange for the former Head of Civil Aviation, Colonel AVALOS, held by guerrillas since October 1985. The FMLN appear to have won the better deal, but because the Army played a prominent part in the negotiations for AVALOS' release, the exchange will have damaged DUARTE far less than arrangements for the return of his daughter in 1985. There are no signs of a resumption of the dialogue between the government and the guerrillas.

7. The present political tension in El Salvador is already easing, and will probably leave DUARTE in place and the government with some of the measures it wants. There are limits to the tactics opposition groups can employ in attacking the government without undermining the democratic system and thereby playing into the hands of the FMLN. However, both the electoral law and the taxation issues are being put to one side

/rather ...

rather than solved, and the underlying problems of the economy and the unremitting war remain. The crisis could therefore flare up again. If this were to happen and DUARTE lost the confidence of the United States' Administration, it is possible to envisage his enforced resignation and replacement by a civilian successor.

EL SALVADOR : PROBLEMA PARA DUARTE

1) El Gobierno Democristiano del Presidente Duarte ha enfrentado una crisis política, que ha visto el resurgimiento de la extrema derecha. Las causas inmediatas -cambios respecto a las leyes electorales- dieron a la oposición la plataforma desde la que atacan al gobierno creando , al mismo tiempo un nuevo foco para el descontento general, proveniente del depresivo panorama económico y la difícil situación provocada por la guerrilla. Han contribuído además, a acrecentar el descontento hacia el régimen, nuevas leyes sobre la conscripción.

2) La campaña contra el cambio de leyes electorales, que según aduce la oposición favorece a los Demo-Cristianos, se ha concentrado en la Asamblea Nacional, donde la oposición le ha hecho "boycot" desde principios de enero.

Los Democristianos son mayoría en la Asamblea pero no cuentan con los dos tercios de votos requeridos para aprobar las medidas, tales como la renovación del Estado de Emergencia, que en la actualidad caducó. El Ejército no cree que esto comprometa la seguridad, pero teme que guerrilleros que sean capturados, puedan ser liberados en forma prematura por incompetentes y, a veces, corruptas cortes civiles.

Gobierno y oposición, parecen estar arribando a un compromiso, que involucre posiblemente, una completa revisión de las leyes electorales en discusión, compuesto por una comisión de todos los partidos, aunque el boycot de la Asamblea, continúa. Hasta cierto punto, los partidos de oposición han amenazado con retirarse del proceso democrático, aunque esta medida parece más una táctica de negociación, que una verdadera amenaza.

3) El paquete impositivo, que contiene un impuesto de guerra que sea obtenido mediante un tributo especial, cuenta con la oposición de todo el espectro político, incluso de los sectores que apoyaban en un principio al gobierno. El 17 de enero se llevó a cabo una marcha de protesta en San Salvador, organizada por la Unión de Trabajadores Salvadoreños (de tendencia izqüiedista) la que tuvo masiva asistencia de convocados.

El 22 de junio, las dos principales organizaciones empresariales convocaron a un paro de 24 horas, que tuvo cerca de un 90% de efectividad en la capital.

El 19 de Febrero la Suprema Corte estableció que el impuesto de guerra, que era el elemento menos aceptado dentro del paquete, era inscontitucional

Sin embargo el gobierno aún debe elevar el presupuesto del Estado y estaría por verse si las alternativas son más aceptables que las originales. Los restantes elementos del paquete permanecerían incambiables.

4) Las campañas contra cambios del paquete de leyes electorales e impositivas, incluye débiles y veladas apelaciones del ala derecha, para la intervención del Ejército. Este ha refirmado su apoyo a la Constitución, aunque es poco probable que la apoye abiertamente, a menos que la situación se deteriore a punto de estancamiento. La ley original impositiva, beneficiaba directamente los intereses del Ejército. Si éste llegara a intervenir, probablemente optaría por una solución "de acuerdo a la constitución" mas que por un golpe militar, aunque es poco probable que el Ejército intervenga, en la presente crisis, éste puede hacerlo, si Duarte llegará a amenazar directamente los intereses fundamentales del Ejército, disminuyendo por ejemplo el presupuesto militar, o dejando actuar libremente a la justicia por abusos sobre derechos humanos cometidos por los militares antes de 1984, o por llegar a un acuerdo de coparticipación con la guerrilla. Empero, no hay signos evidentes, de que Duarte vaya a dar alguno de estos pasos.

5) Desde la pequeña tregua que siguió , como consecuencia, del terremoto de Octubre, el FLNFM intensificó su ofensiva.Aunque el Ejército dispone ahora de mayor efectividad, la guerrilla ha demostrado que cuenta también con mayores recursos, incluso planificando ataques sobre objetivos económicos. Recientemente atacaron varias guarniciones militares como llevaron a cabo varios operativos en el propio San Salvador. La guerrilla dispuso además un bloqueo de dos o tres dias para el transporte en Enero y Febrero, lo que ocasionó, por primera vez, algún perjuicio en el oeste delpaís. Repentinamente se ha incrementado la muerte de civiles, atribuídas al FMLN incluyendo la de 7 campesinos en un incidente a fines de Enero, aunque no se sabe a ciencia cierta si traerá aparejado algún cambio dentro de la política del FLNFM.

6) El 2 de Febrero, el Gobierno liberó a 42 guerilleros y 57 prisioneros políticos en un intercambio por el Director de la Aviación Civil, Cnel. Avalos en poder de los guerrilleros desde Octubre de 1985.
El FLNFM parece haber obtenido la mejor parte del intercambio como consecuencia de que el Ejército jugó en rol preponderante en las negociaciones por la liberación de Avalos y esto perjudicará más a Duarte que las

negociaciones para la dovolución de su hija en 1985. No hay evidencia que pruebe que pueda reanudarse el diálogo entre el gobierno y la guerrilla.

7) La actual tensión política en El Salvador tiende a aquietarse y probablemente, Duarte pueda quedarse y gobernar con algunas de las medidas que tome. Hay ciertos limites en las tácticas que los grupos de oposición, empleen para atacar al Gobierno sin deteriorar el sistema democrático favoreciendo al FLNFM. Sin embargo, tanto los temas de la Ley Electoral como el de la Impositiva , están siendo puestos de lado, en lugar de resolverlos, mientras persisten los problemas económicos y la guerrilla. La crisis puede estallar nuevamente. Si esto sucede y Duarte pierde el apoyo de la Administración Reagan, es posible que se vea forzado a renunciar y en su lugar, fuera puesto un sucesor civil.

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RELS/87/0100 16 January 1987

CURRENT INTELLIGENCE SUMMARY:

SOVIET UNION:
OPPOSITION TO GORBACHEV

1. Since becoming General Secretary in March 1985, Mikhail GORBACHEV has vigorously set about revitalising the Soviet economy and society. "Restructuring" is the key-word. He has launched major campaigns against drunkenness and official corruption, nepotism, incompetence and abuse of office. In an effort to bring misdeeds to light, he has introduced a policy of openness ("glasnost"). Externally, he has presented several disarmament initiatives and held out the prospect of an early withdrawal from Afghanistan.

Opposition

2. Many Russians would agree on the need for strenuous measures to revitalise Soviet society, and strong leadership to ensure their implementation. Under the stagnation of BREZHNEV's last years, and again under CHERNENKO, economic growth declined and corruption flourished. Nevertheless, the brisk pace set by GORBACHEV has surprised and upset a number of groups, particularly party officials, government bureaucrats, and ideological purists, and possibly some elements in the military and the KGB as well as the average Soviet citizen.

3. For many party officials the recent years were undemanding; with the emphasis on "stability of cadres", slackness /and ...

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and corruption took deep root. GORBACHEV's reforms have driven many such officials from their jobs and exposed many mistakes. Some official privileges are being challenged. The Moscow Party leader, for example, recently closed the much-prized "restricted shop" for his staff, saying that it would be useful for City Committee workers to 'feel shortages more sharply'. Provincial Party officials will particularly resent the prospect of stricter scrutiny and control from the centre, after years of virtually unchallenged personal authority. As in ANDROPOV's time, newspapers are being encouraged to expose mismanagement or corruption among local Party officials and, with official support, are becoming bolder. Government bureaucrats in the Central agencies and Ministries are used to holding absolute sway over their subordinate bodies. They are now being told to change their methods (losing power and prestige) and shed staff. In an unpublished speech in June, GORBACHEV complained that such people were taking the process of restructuring 'very painfully'.

4. Only a few months after GORBACHEV took office, some Party purists were already concerned that he rarely referred to ideological questions. In their view, he was a technocrat, who might have made a good Minister, but would not be a good Communist Party leader. Subsequent developments may have reinforced their doubts. The new Party Programme, approved in March 1986, is less visionary than the old, drawn up by KHRUSHCHEV. GORBACHEV intends to make changes in pay and prices, and the government recently introduced a law permitting limited private enterprise in the provision of services. All three are sensitive points for hardliners, /since ...

since they emphasise personal effort for the sake of financial reward. This is at best a sideways step in the forward march to Communism, under which the provision of one's labour is supposed to be an entirely selfless act.

5. Some elements in the military and the KGB may also have reservations about certain aspects of GORBACHEV's policies. Under GORBACHEV, the status of the military within the higher reaches of the Soviet establishment appears to have been slightly weakened. The current Defence Minister, an elderly professional soldier, is still only a Candidate Member of the Politburo. His civilian predecessor was a Full Member. At this year's November parade, there were only four military representatives on top of LENIN's Mausoleum instead of the traditional complement of over ten. Although there is little evidence, there may also be concern in some quarters over specific policy decisions on such issues as arms control and the nuclear testing moratorium, and fears about a possible redistribution of resources towards the civilian sector. Elements in the KGB may be apprehensive about 'glasnost', a recent easing of restrictions in the cultural sphere, and the release of several prominent dissidents, notably Dr SAKHAROV and his wife, YELENA BONNER.

6. The ordinary Soviet citizen is probably also feeling a little let down. GORBACHEV's appointment aroused great expectations of a change for the better, particularly with consumer goods and services. These hopes were, inevitably, disappointed. The crack-down on alcohol sales and drunkenness has caused grumbling and long queues even in winter. GORBACHEV acknowledged that 'letters with threats' were coming

/from ...

from the queues, and the regulations have now been amended to liberalise the sale of wine, but not vodka. But other grievances remain. New legislation against 'non-labour incomes' aimed at black market dealers and corrupt officials, was implemented by local officials with excessive zeal, by the Soviet authorities' own admisstion, and has caused resentment. Overall, 'glasnost' and the promise of better things tomorrow are not enought many want an immediate improvement in their standard of living.

7. Two recent developments have highlighted different aspects of the problems facing GORBACHEV. The most dramatic, the rioting in Alma Ata which started on 17 December, was the result of a decision by Moscow to remove KUNAEV, the corrupt Kazakh First Secretary of the KAZAKHSTAN Communist Party, and replace him with an ethnic Russian. Nationalist feeling possibly whipped up by local officials who saw a threat to their position, led to several days of intermittent street fighting and arson, involving several thousand people. Official Soviet accounts made no mention of death of injuries at the time, but indpendent reports suggest that several militiamen were killed.

8. The second development, the clearest manifestation so far of the political difficulties facing GORBACHEV, is the repeated postponement of the next Central Committee Plenum. Since a Plenum should have been held within 6 months of the last one on 16 June, the Party is now in breach of its own statutes, which is most unusual, but now without precedent. It is reasonable to assume that GORBACHEV and his colleagues are failing to agree on personnel and other changes to be

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endorsed by Plenum. KUNAEV is certain to lose his Politburo seat when the meeting eventually takes palce, and the promotion of GORBACHEV proteges may possibly be announced.

Support

9. The extent of active opposition to GORBACHEV should not be exaggerated. The Soviet system is generally well able to control grumbling and discontent, and even the sort of rioting which has taken place at Alma Ata. While it may sometimes suit the Russians' foreign policy purposes to promote the story that the General Secretary is facing hardline opposition, there is currently no sign of any disagreement about GORBACHEV's basic proposals for remodelling the economy and rooting out inefficiency and corruption. Despite some suggestions that GORBACHEV's number two, LIGACHEV, may be concerned about the social and ideological consequences of over-rapid restructuring LIGACHEV is nonetheless believed to have been involved in the original formulation of much of GORBACHEV's economic policy package, and has recently spoken out strongly in favour of the 'struggle against bureaucracy' and the need for criticism' 'which acknowledges no closed areas'. If differences exist, they are more likely to be questions of style or emphasis, or confined to particular points of the policy agenda.

10. A foreign policy success would be a useful boost to GORBACHEV's prestige. He has acted with confidence and made a number of major policy proposals. Despite his efforts, and a thorough revision of the Ministry of Foreign Affairs machinery, he has not yet achieved a break-through. Two meetings with President REAGAN, at which GORBACHEV offered extensive and unrewarded concessions, have yielded no /concrete. ...

concrete results. But barring disasters, foreign policy issues are likely to have less effect on GORBACHEV's position than domestic ones. Furthermore, the most senior figures in the military appear to support GORBACHEV's arms control policy. The Soviet Chief of General Staff, MARSHAL AKHROMEYEV, played a prominent role at Reykjavik. GORBACHEV does not seem to have had any difficutly with senior military figures, who probably recognise that a revitalisation of the civilian economy should ultimately work in their interest too. Unlike the civilian administration, the military have so far been spared major personnel shake-ups, and there is no clear evidence of any military programme being cancelled or delayed on financial grounds.

11. The KGB, by its nature, attracts little official publicity. Its Chairman, CHEBRIKOV, has warned of the danger of too great a relaxation on cultural affairs. But this is not surprising for a man in his position, and in other speeches he has appeared to endorse GORBACHEV's policies. He was made a full Politbureau member after GORBACHEV's appointment as General Secretary, which implies that he enjoys GORBACHEV's confidence. GORBACHEV's crackdown on corruption will tend to heighten the KGB's status, and his policy of strict retaliation for Western expulsions of Soviet intelligence officers may also bring him KGB support. As with the military, the upper echelons of the KGB remain largely untouched by change. The fact that GORBACHEV has felt free to release some dissidents, even telephoning SAKHAROV personally, implies that he is confident of KGB loyalty. There is therefore little threat to GORBACHEV's position at present, or concerted high level opposition to his policies. He will no doubt continue vigorously to push ahead with his restructuring, and is trying to get the ordinary people to help him ...

him outflank the bureaucracy by encouraging them to challenge or report incompetence and corruption. Much publicity was recently given to the role of public opinion in reversing some important government decisions, notably the Northern and Siberian Rivers Diversion schemes. In an address to Soviet writers, GORBACHEV admitted that all his calculations were aimed at influencing the people, since nothing would be achieved without their involvement. In a further attempt to win popular support for reform, the Party leadership have placed great emphasis on the Party's 'social programme', especially food supplies and housing. A few of GORBACHEV's supporters are also cultivating the common touch. The Moscow Party leader, YELTSIN, has made a point of walking unannounced into shops to see what is available. The markets seem better supplied this winter than usual, although there is no evidence of any fundamental reallocation of resources to the consumer.

13. GORBACHEV is making a determined effort to win over the intelligentsia SAKHAROV's release may have been partly aimed at them. A remarkable cultural ferment is now under way, and books, plays and films that were previously banned are coming out into the open. New works are appearing, dealing with taboo themes, such as Stalinism. Modern and avant-garde art may once again be shown in Soviet galleries. But many intellectuals remain apprehensive about the stability of the new policies, and their fears will have been sharpened by a recent incident in which an unofficial exhibition of modern art, which had apparently received official approval, was abruptly closed again.

Prospects

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14. GORBACHEV faces an immense task in trying to overcome the inertia of the Soviet system, and has admitted that restructuring will take generations. Many in the Party machine will believe that he is trying to go too far too fast. They may use the riots in Alma Ata to support the case for a more gradual approach, while reformers could maintain that such events merely showed the need for sweeping improvements. If problems mount, and GORBACHEV's quest for a fundamental change in Soviet attitudes proves futile, his support in the Politburo could decline. Future cultural policy could be one indicator of such change. Like CHEBRIKOV, LIGACHEV is noticeably less inclined to be liberal on cultural matters and has complained that a number of new works concentrate too much on the negative. He has also complained of 'some people' advocating a return to religious morality. The apparent tendency towards religiosity in some recent works prompted a sharply critical article in the main Soviet youth newspaper in July. For the time being, the writers concerned continue to flourish and have subsequently been defended in the same paper. But ideologists, and the KGB, will be watching closely. The authorities will find it difficult to set limits without resorting to suppression, and to cope with the increasing gap between the artistic treatment of the worst aspects of Stalinism and the total official silence. If GORBACHEV's policies are thought to be going too far or putting fundamentals at risk, supporters of a swing back to established ways could reassert themselves.

15. 'Glasnost' (openness) could face similar difficulties. In February 1986 'Pravda' reviewed a collection of readers' letters attacking privileges for the elite, corruption, etc. One refered to an 'inert, swampy, Party-administrative layer'. /The ...

The journalist responsible summed up the general view as expressing ardent support for the Party's reforms, coupled with apprehension that there might be insufficient determination to overcome resistance. Such a frontal assault on their status, carried in 'Pravda', must have shocked the Party talks. LIGACHEV and several other senior Party figures expressed their disagreement with the article's line. Even YELTSIN apparently told a meeting of Party activists that while the article's premise was correct, its conclusion - that the Party had lost touch with the people - was completely wrong. 'Glasnost' clearly has its limits, even under GORBACHEV. If GORBACHEV's policies fail to produce results in terms of a more prosperous and modern, but still controlled society, his position could eventually be weakened.

PARTES POCO LEGIBLE

UNION SOVIETICA: OPOSICION A GORBACHEV

1.) Desde que asumió como Sec.Gral. en marzo de 1985, Mikhail Gorbachov, ha tratado de revitalizar la economía y la sociedad soviética, poniendo en ello todo su empeño. "Reestructurar " es la palabra clave. Lanzó grandes campañas en contra de la embriaguez, la corrupción a nivel oficial, el nepotismo, la incompetencia y el abuso de autoridad. En su esfuerzo por sacar a la luz irregularidades y deficiencias, introdujo una política de apertura total "glasnost". Con respecto al exterior, presentó varias iniciativas sobre desarme y llevó a cabo el proyecto de una retirada de Afganistán.-

OPOSICION

2) Muchos rusos concuerdan en la necesidad de medidas para revitalizar la sociedad soviética y también de una conducción fuerte, capaz de asegurar su implementación. Cod el estancamiento que se produjo bajo la conducción de Brezhnev, y luego de Cher-nenko, floreció la corrupción y comenzó a declinar el crecimiento económico. No obstante, el énfasis y la agilidad de acción puesta de manifiesto por Gorgachov, sorprendió y desconcertó a un cierto número de grupos, particularmente funcionarios del partido, burócratas del gobierno, ideólogos, y a algunos elementos de las Fuerzas Armadas y de la KGB como también a la mayor parte de la ciudadanía.-

3) Para muchos funcionarios soviéticos los años anteriores fueron sin exigencias, enfatizándose sólo en la "estabilidad dentro de los cuadros" y donde las carencias y la corrupción echaron raíces. Las reformas de Gorbachoy removieron a muchos funcionarios de sus puestos, al tiempo que pusieron al descubierto muchos errores. Algunos privilegios de los funcionarios están siendo puestos en tela de juicio. El líder Moscovita, clausuró recientemente el "muy caro y restringido local" para uso de su personal, aduciendo que sería más beneficioso para el Comité Ciudadano de Trabajadores el sentir la austeridad de una forma más aguda. Los funcionarios Provinciales del Partido, son lo que resentirán en forma particular, el proyecto de un mayor control y escrutinio, proveniente de Moscú; luego de años de ostentar prácticamente autoridad indiscutible. Como en tiempos de Andropov, los periódicos se han visto respaldados para denunciar actos de corrupción o de mala administración por parte de los funcionarios locales del Partido y,con el apoyo oficial se han arriesgado a ser más audaces.--
Los burócratas del gobierno, en oficinas centrales y Ministerios solían ejercer absoluto dominio sobre sus subordinados. En la actualidad se les ha ordenado cambiar sus métodos (perdieron autoridad y prestigio), y les fueron disminuídas sus facultades. En un discurso, no publicado del mes de junio , Gorbachov, se quejó de que dichas personas estaban tomando el período de reestructuración en "forma penosa"

4.- Sólo unos meses después que Gorbachov tomara posesión, algunos ideólogos del Partido, estaban preocupados, pues éste jamás aludía al tema ideológico. Desde el punto de vista de ellos, Gorbachov era un tecnócrata, quien sería un excelente Ministro pero no un buen líder del Partido Comunista. El consiguiente desarrollo de los acontecimientos reforzó esta opinión.-
El nuevo Programa del Partido, aprobado en marzo de 1986, es menos visionario que el esbozado anterormente por Krushev. Gorbachov intenta efectuar cambios en los pagos y en los salarios y precios, y ,recientemente el gobierno aprobó una ley permitiendo a algunas empresas privadas, la prestación de Servicios.- Estos tres, son puntos sensibles para los de la línea dura dado que estos dan prioridad al esfuerzo personal con una buena remuneración. Esto es, con mucho un camino en dos direcciones dentro de la futura marcha del Comunismo en el que la labor personal, supone un acto totalmente desinteresado.-

5.- Algunos elementos dentro de las FF.AA. y de la KGB, también mantienen cierta reserva sobre ciertos aspectos de la política de Gorbachov. El status de los militares dentro de las altas jerarquías soviéticas, aparece como una estructura algo más debilitada. El actual Ministro de Defensa, antiguo militar de profesión, es tan sólo un Miembro candidato del Politburó. Su predecesor civil era Miembro Permanente.
Durante el último desfile de noviembre, había solamente 4 representantes militares ante el Mausoleo de Lenín en lugar del complemento tradicional de más de diez aunque no existe mayor evidencia, pareee haber preocupación en algunos cuarteles, sobre decisiones políticas específicas sobre temas tales como control armamentista, y la moratoria sobre pruebas nucleares, y el tema de una posible redistribución de recursos destinados al sector civil.
Elementos de la KGB, demuestran cierta renuencia a las liberaciones de algunos disidentes, en especial del Dr. Sakharov y su esposa Selena Bonner.-

6.- Es probable que el ciudadano medio soviético,experimente la misma renuencia. La designación de Gorbachov creó grandes expectativas ante la perspectiva de un cambio favorable, en especial lo relativo a los artículos de consumo y de los servicios. Esta expectativa se vio, inevitablemente, frustrada. La restricción en la venta de bebidas alcohólicas y sus derivados causó gran descontento y dio lugar a la formación de largas colas de ciudadanos, aún en invierno. Gorbacho; fue consciente de que hubo amenazas al respecto, entre los ciudadanos que formaban las colas, y por consiguiente las disposiciones, fueron enmendadas liberando la venta de vino aunque no de vodka.
Causó además cierto resentimiento, la nueva legislación destinada a poner freno a los abusos de la gente que trafica en el mercado negro, obteniendo beneficios que no provienen del trabajo que realizan.-
Pero sólo la política de aperturaεy la promesa de un mañana no son suficientes. Mucha gente quiere ver mejoras en forma inmediata.

7.- Los recientes acontecimientos han sacado a la luz distintos aspectos de los problemas que debe encarar Gorbachov.El más dramático fue la asonada de Alma Ata que comenzó el 17 de dic. a raíz de la decisión de Moscú de remover a Kunaev, el corrupto Primer Secretario del P.C. de KAZAKHSTAN y poner en su lugar un ruso étnico. El sentimiento nacionalista, probablemente

se vio fustigado entre los funcionarios locales, quienes veían una amenaza para su posición.y condujo a varios días de intermitentes protestas callejeras y de incemdios premeditados.que involucró a varios miles de personas.-
La versión oficial soviética no hace mención a muertos o heridos, pero información extraoficial deja entrever que fueron muertos varios milicianos.

8.- En segundo término, y la más clara manifestación hasta el momento, de las dificultades políticas que enfrenta Gorbachov, es el reiterado aplazamiento del próximo Plenario del Comité Central. Dado que el Plenario, debía reunirse dentro de los seis meses del último realizado el 16 de junio,el Partido está en infracción con sus propios estatutos,lo que más que inusual es hata ahora un hecho sin precedentes.-
Es por tanto, razonable, asumir que Gorbachov y sus colegas no están de acuerdo en los cambios tanto personales como de otra ídole para que sean tratados y sancionados en la reunión del Plenario. Es evidente que Kunaev perderá su lugar dentro del Politburó, cuando el mismo tenga lugar y que pueda ser promovido algún miembro de a confianza de Gorbachov.

APOYO

9.- No debe exagerarse la extensión de la oposición activa. El sistema soviético prevé el poder controlar cualquier brote de revuelta o disconformidad, y aún, el de un tumulto como el producido en Alma Ata. Aunque pueda ser conveniente para la política exterior de Rusia el dejar entrever que Gorbachov enfrenta una férrea oposición, no hay en la actualidad, signos evidentes de desacuerdo sobre las propuestas básicas de éste con respecto a la revisión del panorama económico y lo relativo a a la ineficacia y la corrupción dentro de los cuadros. No obstante,alguna sugerencia que pueda entreverse, en cuanto a la preocupación del número dos Ligachev, sobre las consecuencias ideológicas y sociales de una rápida reestructuración, éste parece no estar involucrado con las propuestas de reforma del paquete de la política económica, y recientemente habló en forma enérgica en favor de "la lucha contra la burocracia" y "la necesidad de crítica sin excepción de áreas.-
De existir diferencias entre ellos, sería más por definición de estilo o de énfasis que por algún punto definido de la agenda política.-

10.- El éxito de la política económica sería un efectivo respaldo para el prestigio de Gorbachov. Este actuó con firme confianza e hizo algunas propuestas políticas de envergadura. No obstante sus esfuerzos, y una minucioea revisión de la conducción del Ministerio Exterior, no ha logrado aún su proósito de abrirse camino. Sus dos encuentros con el Presidente Reagan, en los que efectuó amplias y desinteresadas concesiones no obtuvieron resultados concretos.-

Pero con excepción de algún imprevisto, los temas de la política exterior parecen afectar en menor grado la posición de Gorbachov que los problemas internos. Además los in tegrantes de mayor jerarquía dentro de las Fuerzas Armadas apoyarían la política de control armamentista sustentada por Gorbachov. El Jefe soviético del Estado Mayor General, Mariscal Akhromeyev, jugó un rol importante en la cumbre de Reykjavik. En cuanto al resto de los principales integrantes militares, parecería que Gorbachov no encontraría dificultad en que le presten su apoyo, dado que re-

conocen que una eventual revitalización de la economía redundaría en su propio beneficio. Al revés que a nivel civil, los militares parecerían haber incrementado sus efectivos, y no hay evidencia de que algún programa militar hubiera sido pospuesto o cancelado en beneficio del reajuste económico.-

11.- Por su propia naturaleza, la KGB no puede tener mucha publicidad a nivel oficial. Su Director, Chebrikov ha prevenido sobre el pleligro de un estancamiento en los asuntos culturales. Pero esto no es sorprendente en un hombre de su posición en tanto que en otras alocuciones ha respaldado la política de Gorbachov. Este fue declarado Miembro Permanente del Politburó, luego de la designación de Gorbachov como Sec.Gral., lo que deja implícito que goza de la confianza de éste. La inflexibilidad por combatir la corrupción conllevará a jerarquizar el nivel de la KGB como también la política de estricta represalia, frente a expulsiones de funcionarios de inteligencia soviética en el mundo occidental, que cuenta con el apoyo de la misma y al igual que con los altos mandos militares, los miembros de mayor jerarquía dentro de la KGB, permanecen en sus cargos. En cuanto al hecho de que Gorbachov se haya sentido lo suficientemente libre como para actuar liberando algunos disidentes e incluso de que hubiera telefoneado a Sakarov, personalmente son indicativos de que tiene plena confianza en la lealtad de la KGB. En definitiva no existe hasta el momento, nada que amenace la posición de Gorbachov, como tampoco ninguna forma de oposición concertada a alto nivel. Gorbachov continuará en su esfuerzo por concretar la reestructura a todo nivel, y está tratando de contar con el apoyo del ciudadano común, para desterrar la burocracia, instándolos a que denuncien o reporten la incompetencia o corrupción.- Recientemente, se le dio profusa publicidad al rol de la opinión pública, al revertir algunas decisiones gubernamentales, en especial con los "Esquemas de Diversión" en los ríos del Norte y los de Siberia.-
En una alocución destinada a los periodistas soviéticos, Gorbachov admitió que sus cálculos estaban destinados a tratar de influenciar en la gente, dado que nada se lograría sin su participación. En un posterior intento por ganarse el apoyo popular para sus proyectos de reforma, el líder del Partido, puso énfasis especial en el "programa social" del P.C. sobre todo en lo que se refiere a alojamiento y abastecimiento a la población. Yeltsin, líder del Partido de Moscú, logró un punto a favor al circular sin anunciarse previamente, por distintos comercios a fin de observar la mercadería disponible en stock. Los distintos comercios ya sean tiendas o almacenes parecen estar este invierno, mejor aprovisionados, aunque no existe evidendia de que se haya asignado una redistribución de recursos para los consumidores.-

13.- GORBACHOV está haciendo un muy significativo esfuerzo por mejorar la imagen, y la inteligente liberación de Sakarov, fue, en parte destinada a ello. Se está llevando a cabo en la actualidad, una expansión cultural; y tanto libros, obras y filmes que anteriormente estaban probibidos, pueden hoy circular libremente. Han aparecido a la venta libros que anteriormente eran tabú, sobre todo los que se refieren al stalinismo. Pero muchos intelectuales manifiestan todavía ciertos resquemores en cuanto a la estabilidad

de la nueva política y sus temores se ven agudizados por un incidente reciente, en el cual, una exhibición particular de arte moderno, que aparentemente contaba con aprobación oficial, fue repentinamente clausurada.-

14.- Al tratar de revertir el estancamiento en que se haya sumido el sistema soviético, Gorbachov, emprendió una ardua tarea, y admitió que la reestructura total tardará varias generaciones.

Muchos miembros del Partido estiman que éste está tratando de llegar muy lejos en un corto lapso . Usan los sucesos de Alma Ata para sostener la idea de cambios en forma gradual, en tanto los reformistas los usan como pretexto para acelerar el proceso de reestructura. De incrementarse los problemas, y el requerimiento de Gorbachov para un cambio fundamental en la actitud soviética resultara ser ineficaz, su apoyo dentro del Politburó podría debilitarse. La futura política cultural puede ser indicativo de ello. Al igual que Chebrikov, Ligachev se ha demostrado bastante menos inclinado a ser liberal en cuanto a los asuntos culturales y adujo que muchos de los nuevos trabajos tienden a concentrarse en los aspectos negativos. Se quejó, además, de que "algunos" abogan por el retorno a la moralidad religiosa. La tendencia aparente hacia la religión, en algunas obras, promovieron en julio último, una aguda crítica por parte del principal periódico de la juventud soviética. No obstante, siguen floreciendo nuevos trabajos y escritores, siendo apoyados por algún periódico, aunque los ideólogos y la KGB vigilan estrechamente. Es evidente que las autoridades tendrán serias dificultades en tratar de poner límites, sin volver a la supresión, y poder competir con la creciente corriente artística sobre los peores aspectos del stalinismo, y el hermético silencio oficial.

Si se piensa que la política de Gorbachov puede llegar lejos, poniendo en riesgo las bases fundamentales, los que apoyan la política anterior pueden establecer normas que los reafirme en el poder.

15.- La "apertura" puede enfrentar similares dificultades. En febrero de 1986, Pravda publicó una colección de "cartas del lector" atacanto los privilegios de la élite, la corrupción, etc.. Una de ellas hacia referencia a un inepto y "sucio" abogado administrativo del Partido. El periodista responsable resumía el punto de vista general, expresando su ferviente apoyo a las reformas del Partido, mezclado con una cierta aprehensión por que pueda no existir la suficiente determinación para vencer la resistencia.

Tal crítica frontal a sus status, aparecida en "Pravda" debe haber

asombrado a los miembros del Partido.

Ligachev y otras importantes figuras del mismo, expresaron su desacuerdo con los lineamientos del artículo. Aún Yeltsin, habría dicho en un mítin de activistas del Partido, que si bien las premisas del artículo eran correctas, sus conclusiones -que el Partido había perdido contacto con su gente- eran completamente falsas. La "apertura" tiene sus límites, aún bajo Gorbachov. Si su política no produce los resultados de una más próspera y moderna pero también controlada sociedad, su posición pude verse eventualmente debilitada.

—CUBA
—CHILE

135/C

18 de enero de 1988

Rels/88/0074

CUBA/CHILE/PERU
ACTIVIDAD DE EMBARCACIONES DE PESCA CUBANAS Y CONTACTOS CON PESQUEROS CHILENOS

Procedencia: Información proporcionada por informante con acceso directo
Fecha de Información: Octubre de 1987

1. En octubre de 1987 dos marineros cubanos de una embarcasión pesquera hablaron sobre los contactos mantenidos entre pescadores chilenos y cubanos de barcos manufactureros. Ellos habían estado pescando fuera de Perú, donde habían suministrado su pesca libre de gravamen a los peruanos, y en Chile, donde habían permanecido en aguas internaciona les. Estando fuera de Chile recibieron la visita de barcos de abaste cimiento cada cuatro meses, aprovisionándolos de comida, cigarrillos correspondencia, etc.
2. Ellos dijeron que bajo el régimen de ALLENDE (1970-73) se habían ven dido numerosos barcos pesqueros con maquinaria soviética para los pes cadores chilenos, quienes actualmente tenían dificultades de obtener repuestos para sus maquinarias.
   En consecuencia, luego de la visita de cada barco de abastecimiento, los chilenos aprovechavan la oportunidad para aprovisionarse de los repuestos necesarios.

Comentario:
Los dos cubanos parecen creer que estos contactos simplemente represen tan una vía de ayuda a los pescadores chilenos, pero ellas pueden ser la manera de proveer de cobertura clandestina a las reuniones con los agentes cubanos. Específicamente, cada contacto realizado en el océano, podría contribuir a la provisión de armas, cosa que pudo haber ocu rrido con las armas encontradas en cavernas de las costas de Chile en Agosto de 1986, cuya procedencia ha sido atribuída a los barcos sovié tico/cubanos.

8804731

01 .02

Proc. [illegible] **SECRET**

RELS/88/0074 18 January 1988

CUBA/CHILE/PERU:
CUBAN FISHING VESSEL ACTIVITY AND CONTACT WITH CHILEAN FISHERMEN

Source description: established source quoting informant with direct access

Date of information: October 1987

1. In October 1987 two Cuban crewmen from a fishing vessel spoke of contacts between Chilean fishermen and Cuban factory ships. They had been fishing off Peru, where they had supplied their catch free of charge to the Peruvians, and Chile where they had remained in international waters. Whilst off Chile they received a visit from a resupply ship every four months, which brought food, cigarettes, mail, spare parts etc.

2. They said that under the ALLENDE regime (1970-73) numerous fishing vessels with Soviet engines had been bought by Chilean fishermen, who now had difficulty in obtaining spare parts for their engines. Therefore, after eachresupply ship visit, the Chileans would rendevous with the factory ship and collect the spare parts they needed.

COMMENT

The two Cubans seemed to believe that these contacts simply represented a means of helping poor Chilean fishermen but they could provide cover for clandestine meetings with Cuban agents. Specifically, such contacts at sea could have contributed to the arms cache found in a cave on the Chilean coast in August 1986, which has been attributed to landings from Sovient/Cuban trawlers.

02.02

SECRET

880473 1[9853F]

Traducir Norma **SECRET** Proced: Gran Bretaña.

RELS/87/0532 24 March 1987

Ei chojo Chuzon: ¿No alineados?

NICARAGUA/CARIBBEAN:

NICARAGUAN DELEGATION LOBBYING FOR MANAGUA AS SITE FOR NAM IN 1988

135(e) H.E.B.

Source description: established source quoting informant with good access

Date of information: February 1987

01 . 02

SECRET 8705069

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Fichale ?

SECRET

RELS/87/0532   24 March 1987

NICARAGUA/CARIBBEAN:
NICARAGUAN DELEGATION LOBBYING FOR MANAGUA AS SITE FOR NAM IN 1988

1.   In mid-March 1987, a senior St Lucian politician said that the purpose of the two-man Nicaraguan delegation of THOMAS GORDON and DIEGO HUGO MENESES MARTINEZ that visited ST Lucia on 18/19 February was to lobby for Managua as the venue for the next non-aligned meeting. The politician said that Prime Minister JOHN COMPTON had agreed to support the Nicaraguans' proposal.

2.   The politician added that GORDON described himself as the Nicaraguan Ambassador designate for the Eastern Caribbean and that he was looking forward in due course to receiving his agreement for residence from the government of Barbados.++

Delegacion nicaragüense solicita apoyo para que Managua sea sede de la próxima reunión de No-Alineados.-

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1. A mediados de marzo de este año un veterano dirigente político de Santa Lucía dijo que el propósito de la visita de dos delegados nicaraguenses, Thomas Gordon y Diego Hugo Meneses Martínez que visitaron Santa Lucía el 18/19 de Febrero era obtener aprobación para que Nicaragua sea sede de la próxima reunión de No-Alineados. El político agregó que el Primer Ministro John Compton había accedido a apoyar la solicitud de Nicaragua.-

2. El político agregó que Gordon se había descrtpto como el Embajador designado para el Caribe-este y estaba tratando de obtener el consentimiento de residencia del gobierno de Barbados.-

02.02 SECRET   8705069

Cobre ingles cruzes KGB

SECRET

PERMIT

125

OVATION Report No. 483

M.E.B.

Date of Issue:
17 Nov 86

SUBJECT:

INDICATIONS OF KGB AFFILIATION

Date of Information:

October 1986

135/C.

SOURCE: The former KGB Resident in London who defected in mid-1985. A full curriculum vitae is available on request.

COMMENT BY ISSUING DESK:

Se hizo MEMO

01 .11

SECRET

8705097

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REPORT No 483

INDICATIONS OF KGB AFFILIATION

Source provided the following check list of factors which could indicate KGB affiliation:

a) a late first posting in the early to mid 30's.

b) Birth in the provinces (particularly for the new generation of KGB officers).

c) Money to spend on entertaining contacts.

d) Succession to an established KGB cover slot.

e) Social contact with other KGB officers - though the GRU are worse offenders in this respect.

f) Attendance at the Residency for celebrations on 20 December to mark "Cheka Day". This may now be less prevalent because of the anti-alcohol campaign.

g) More forthcoming and eager to make contacts at social functions, particularly in the case of younger Soviet officials. Senior MFA officers are now more likely to behave like the KGB in this respect.

h) Setting up contacts in the local Soviet community - if for other than reasons of purely personal advantage.

i) Officials in non-Embassy sections making regular visits to the Embassy/Residency.

j) Ready acceptance of invitations from Westerners.

k) Visits to bars and restaurants with other KGB officers - cheating on entertainment claims is commonplace and KGB officers feel much more at ease in restaurants than their MFA counterparts.

l) Willingness to linger over meals, particularly lunches, frequently suggesting drinks before a meal and coffee and liqueurs afterwards, possibly in another cafe. MFA officers are usually under instruction to be back at their desks at a given time and do not have resources for the additional entertainment.

m) KGB officers spend much more time driving around in their cars than MFA officials.

n) Despite attempts to change premises, KGB officers frequently take over the apartments of colleagues or predecessors.

Informe Nº 483

INDICIOS QUE IDENTIFICAN A LOS MIEMBROS DE LA KGB

La siguiente lista proporciona los datos mediante los cuales podría indicar la afiliación de un agente de la KGB:

a.- Una persona cuya última designación haya sido entre los 30 y 35 años.

b Originarios de las provincias (particularmente para la nueva generación de oficiales de la KGB)

c El dinero que se les proporciona es destinado al agasajo de contactos.

d Se establece la sucesión para cubrir los canales establecidos de la KGB, en cuanto a puestos vacantes.

e Contacto social con otros oficiales de la KGB -aún cuando los del GRU son los peores transgresores a este respecto.

f Atención en la Residencia para las celebraciones del 20 de diciembre para remarcar el "Cheka Day". Esto puede ser, ahora, menos frecuente debido a la campaña anti-alcohol.

g Más proximidad para hacer contactos en sus funciones sociales, particularmente en los casos de jóvenes integrantes soviéticos. Antiguos Oficiales del Ministerio de Relaciones Exteriores se comportan como reales agentes de la KGB, en este aspecto.

h El establecimiento de contactos en la comunidad soviética local, más que por otras razones, netamente por facilidad personal.

i Los oficiales que no trabajan dentro del ámbito de la Embajada llevan a cabo visitas regulares a la misma y a la Residencia.

j Aceptación sin demoras de todas las invitaciones de occidentales.

k Visitas a bares y restaurantes con otros oficiales de la KGB - Es más común que los oficiales de la KGB se sientan más complacidos de divertirse en las cenas; frecuentemente se comienza con alguna bebida antes de la comida; cafe y licores como sobremesa, posiblemente en otro lugar.

Los miembros del Ministerio de Relaciones Exteriores generalmente tienen instrucciones de volver a sus lugares de trabajo a una hora específica y no tienen posibilidades para un entretenimiento adicional.

m Los miembros de la KGB gastan más de su tiempo manejando sus vehiculos, que los miembros del Ministerio.

n Pese al intento de cambiar de costumbres, los integrantes de la KGB frecuentemente toman el apartamento de colegas o predecesores.

=AN=

SECRET

Traducir

Perez

MINISTERIO DE DEFENSA NACIONAL
Dirección General de Información de Defensa
Fecha de Entrada 30/4/87
Fecha de Salida
Pasa a Jefe
Nº. de identificación 0612/87

REDWOOD report no. 282

SOURCE

A KGB Major who worked as an illegals support officer and who defected in mid 1982.

KGB/GRU: SOME INDICATORS TO THE IDENTIFICATION OF INTELLIGENCE OFFICERS, 1982

870591

SECRET

SECRET

REPORT NO 282

KGB/GRU: SOME INDICATORS TO THE IDENTIFICATION OF INTELLIGENCE OFFICERS, 1982

1. The situation in the Soviet Embassy in Teheran was such that within a matter of days of his arrival, any Soviet employee would have known the identities of officers of the KGB and the GRU, and would have been able to distinguish the one from the other. This was based on the fact that the KGB was on the 4th floor and the GRU on the 6th: staff would also have known those officers under cover in STD and GKES for example. In some cases officers would have guessed before they left Moscow, knowing whether or not a particular post was occupied by a straight official. These factors apart, the following are some of the reasons for deducing IO status.

2. <u>Contact with foreigners</u>

MFA staff in the Embassy do not have the need to meet foreigners in any great degree. Staff spend most of the time within the Embassy reading the press and with paper-work generally. The KGB discourages their associating with foreigners because of the possibility that they will come under cultivation by foreign intelligence. It is very seldom that a straight diplomat will meet a foreigner socially in the interests of the Embassy. Such a meeting is likely to be under KGB control.

3. Senior MFA staff may have reason to leave the Embassy during the day, but their contacts will be official only. Any officer who frequently goes to lunch in a restaurant with any foreigner, whether official or not, will be KGB or GRU. The reaction of an official to an oral invitation would be a guide. The MFA official would stall, promising to get in touch later, because he has no authority to agree on the spot and must consult his superior. Even a Counsellor would need the approval of the Ambassador. If the official agreed right away he would be KGB/GRU or possibly a KGB agent. A KGB agent would probably stall and consult his case officer, or agree and cancel later if his case officer so decreed. Generally speaking, MFA officials are not allowed private contacts and may attend receptions only.

4. <u>Absence during working hours</u>

Straight diplomats tend to keep strictly to the stated working hours, whereas KGB/GRU officers will frequently go into the building out of hours. Where this is coupled with lengthy absence from the Embassy during working hours, the likelihood is that the officer has met a contact during the day and is writing up his report in the evening. It could well be that the radio monitor is awaiting his return, or that his Line Head has instructed him to report personally the information he has obtained from his agent. Some KGB officers try to avoid this compromise of cover, but it is still widely

Poco Legible

done. Officers who are known to work out of hours and yet who are seldom seen outside the premises are usually cypher clerks or radio operators.

5. <u>General behaviour</u>

Another indicator is freedom of movement and association. The KGB are not afraid to involve themselves in conversation with anyone, and to make normal social contacts. This is in [illegible]. KGB officers will visit night spots and such areas which MFA officials would take great risk in visiting.

6. <u>Promotion en poste</u>

Where a KGB officer remains for some time in a cover post, he is unlikely to change his cover grade. He is concerned that he is promoted within the KGB. In some cases though, an officer will arrange his visible promotion for personal cover reasons. An official who has a series of promotions in the same post is likely to be straight. An official who transfers to another post on promotion is without doubt straight.

7. <u>Car ownership</u>

At the Embassy in Teheran no cars were privately owned and this is believed to be the case in all Soviet missions. All cars belong to the organisation for which the official works. It is possible that any official, whether an IO or not might buy a car personally to take back to the USSR, particularly as the law was changed in 1980. Formerly there was a 200% tax and a ban on resale for 5 years. There is no tax now unless the car is sold within 5 years. The KGB and GRU usually had foreign cars in Teheran whereas the MFA had Soviet. If a KGB car became compromised it would be passed on to the Embassy. KGB cars usually had prominent aerials to listen to surveillance and the warning signal from the Residency monitor. When KGB cars are disposed of by sale, they may not be bought by KGB officers. They are usually sold to foreigners, or to Embassy employees, and particularly agents of the KGB. Similarly GRU officers may not buy GRU cars.

8. <u>Accommodation</u>

If the situation in a country is such that Soviet officials may live outside a Soviet compound, the KGB will particularly seek to live outside. They will try to spread their staff around the city in order to make surveillance more difficult.

Poco Legible

INFORME Nºº 282

INFORME PROPOCIONADO POR UN MAYOR DE LA KGB QUE TRABAJABA COMO ASESOR ILEGAL Y QUE DESERTO A MITAD DE 1982.

KGB/GRU: ALGUNOS INDICATIVOS PARA LA IDENTIFICACION DE OFICIALES DE INTELIGENCIA, 1982.

KGB/GRU: ALGUNOS INDICATIVOS PARA LA IDENTIFICACION DE OFICIALES DE INTELIGENCIA, 1982

a.- La situación en la Embajada soviética en Teherán es tal, que, en el mismo día ~~de arribo de~~ que llega un nuevo funcionario, éste podía conocer la identificación de los oficiales de la KGB y de la GRU, así como también les ~~era~~ es posible distinguir uno del otro. Esto se debía al hecho de que la KGB estaba ocupando el 4º piso y el GRU el 6º: la plana mayor podía también tener conocimiento de estos oficiales bajo covertura en STD y la GKES por ejemplo. En algunos casos los oficiales podrían saber, antes de abandonar su puesto en Moscú, sobre los oficiales que los ocuparían, así como los puestos a ser llenados.

Aparte de esos factores, los siguientes son algunas de las razones por las cuales se puede identificar a los oficiales de inteligencia.

2.- Contacto con extranjeros

Los miembros del Ministerio de Relaciones Exteriores de la Embajada no tienen necesidad de mantener contacto con extranjeros a ningun nivel. El personal, por su parte, divide su tiempo dentro de la misma, escribiendo informes de prensa y en trabajos de oficina en general.

La KGB desaprueba su asociación con extranjeros, debido a que existe la posibilidad de que éstos ~~estuvieran~~ estén bajo las directivas de centros de inteligencia extranjeros, dado que es muy difícil que un determinado diplomático entrevistaría a un extranjero por el solo interés de la Embajada. Este tipo de reuniones son las que la KGB prefiere tener bajo su estricto control.

3.- Los miembros del Ministerio de Relaciones Exteriores dejan la Embajada durante el día para mantener enlace con sus contactos, los que se llevarían a cabo tan solo en forma oficial.

Algunos de los oficiales que frecuentemente acuden a distintos almuerzos en restaurantes con extranjeros, fuesen oficiales o no, pertenecen a la KGB o GRU. La reacción de un oficial ante una invitación verbal sería una guía para determinar si pertenece al organismo.

Los oficiales del Ministerio de Relaciones Exteriores deberán evitar el comprometerse a hacer nuevos contactos más adelante, debido a que

carecen de autoridad para arreglar este tipo de asuntos, debiendo antes que nada consultar con sus superiores. Aún el Consejero necesitará la aprovación del Embajador.

Si el oficial se pone de acuerdo inmediatamente, el contacto pasará a ser posiblemente agente de la KGB o del GRU.

El agente de la KGB probablemente evite este tipo de situación y consulte antes, o acuerde y cancele más tarde si su oficial a cargo lo considera pertinente.

En forma general, los oficiales del Ministerio de Relaciones Exteriores no están autorizados a mantener contactos privados, pudiendo solamente asistir a recepciones.

4.- Ausencias durante las horas de trabajo

Determinados diplomáticos tienden a mantener en forma estricta el horario de trabajo,mientras que los oficiales de la KGB y del GRU frecuentemente llegan a sus lugares de trabajo fuera de hora.

Esto, unido a las prolongadas ausencias de la Embajada durante las horas laborales, se explicaría debido a que tiene que mantener diversos contactos durante el día, y pasar su informe durante la noche.

El radio operador debería esperar el regreso del oficial, pero en caso contrario, el director de línea del oficial, lo ha instruído como para informar personalmente todo lo obtenido de su agente. Algunos oficiales de la KGB tratan de evitar el reportarse personalmente aún cuando muchas veces sea necesario.

Los oficiales que se sabe trabajan en el exterior y aún quienes son muy rara vez visto fuera, por regla general, transmiten sus mensajes por radio, los que son cifrados ya sea por especialistas en claves o radio operadores.

5.- Comportamiento General

Otro indicio que detecta a un agente, es la libertad de movimiento y asociación.

Los integrantes de la KGB no tienen temor de mantener cualquier tipo de conversación con nadie, así como cualquier tipo de contacto social en forma absolutamente normal. Esto se contrapone con lo que realiza el personal de la Embajada.

Los oficiales de la KGB pueden realizar visitas a lugares nocturnos y áreas en las cuales, los miembros del Ministerio correrían riesgo

al visitarlos.

6.- Promoción de cargos

Cuando un oficial de la KGB permanece por largo tiempo en un mismo puesto, es muy poco probable que lo saquen del mismo. Esto no implica que sea promovido dentro del organismo. En algunos casos, sin embargo, algunos pueden arreglar su promoción por razones de índole puramente personal.

Un oficial que ha tenido una serie de promociones para el mismo puesto, es considerado confiable, pero se considera altamente confiable a aquel que ha sido transferido a distintos puestos.

7.- Autos particulares

En la Embajada en Teherán, los vehículos utilizados no eran particulares y se cree que esto se da en todos los casos de misiones soviéticas. Todos los autos pertenecen a la organización para la cual trabajan los oficiales. Es posible que cualquiera de ellos, ya sea un IO o no, pueda comprar un vehículo para llevarlo a su regreso a la Unión Soviética, especialmente luego de modificada la ley sobre el tema, en 1980.

En el pasado, existía un 200% de impuesto a la importación de vehículos y un decreto sobre su reventa en el período de 5 años. En este momento no existen impuestos sobre el particular, a menos que los vehículos sean vendidos dentro de los 5 años de adquirido. La KGB y la GRU generalmente tenían vehículos extranjeros en Teherán, mientras que los miembros del Ministerio eran soviéticos.

Si un auto de la KGB quedaba al descubierto, inmediatamente era pasado a la Embajada. Los autos de la KGB generalmente estaban provistos de un destacado equipo aéreo para escucha, vigilancia y la captación de todo tipo de señal desde el monitor de la Residencia.

Cuando los vehículos de la KGB están dispuestos para la venta, los mismos no pueden ser comprados por los oficiales de la KGB, siendo generalmente vendidos a extranjeros o a empleados de la Embajada y muy particulamente a agentes de la KGB. De igual forma, los oficiales del GRU no pueden comprar los vehículos del GRU.

8.- Alojamiento

Si la situación en la ciudad es favorable, los oficiales soviéticos

disponen todo para vivir fuera de la misma, particularmente los miembros de la KGB. Las autoridades del organismo intentan alojar al personal en los alrededores de la ciudad para lograr obtener las medidas necesarias y evitar así que sean detectados.

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CHINA: INTERNAL SITUATION

1. HU YAOBANG's sudden fall underlined the unpredictability and fragility of personal authority in China even after a decade of DENG XIAOPING's dominance, and demonstrated the difficulties of reform in a socialist system. The critics of reform are stronger, but DENG remains the dominant leader, and HU's acting successor, ZHAO ZIYANG, has performed well in the face of strong conservative pressures. However DENG's original succession arrangements are in disarray.

Background

2. Recent events have been the most tumultuous in Chinese politics since Deng established himself in 1978. Throughout last summer, opposition even to the more radical aspects of reform touching on Party control appeared, at least on the surface, to be weakening. However, the Party Plenum in September 1986 failed to build on this, reflecting controversy within the leadership. Student demonstrations from November to January demanding greater "democracy" precipitated Hu Yaobang's resignation as Party General Secretary, announced on 16 January, and his replacement on an acting basis by Premier Zhao Ziyang. (The Annex gives brief notes on leading figures in recent events).

Hu Yaobang's Resignation

3. Hu's resignation took most of China by surprise. Since Deng installed him as Party leader in 1981, he had been, with Deng and Zhao, one of the three leading architects of reform in China, and its most vigorous proponent. But his radical position on reform, together with his patronage over leading Party appointments and his

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impulsive decisions and statements on sensitive issues, alienated more conservative members of the leadership. Veteran military leaders were particularly hostile, successfully resisting Deng's efforts to hand over to Hu his role as supreme military leader through the Chairmanship of the Party Military Commission. It is now clear that opposition intensified in private last summer. Some leaders probably regarded the political reform debate (which Hu encouraged) not only as an unacceptable threat to Party control but also as a vehicle for Hu's personal ambition and an attempt to hasten their own retirement. Deng himself (and possibly even Zhao) may have come to doubt Hu's ability to manage reform within the Party without creating serious and destabilising divisions. Towards the end of the year, Deng probably decided to endorse mounting conservative pressure for Hu's removal, citing particularly his lax handling of the student demonstrations. Hu's then inevitable resignation was accepted in mid-January by a special Politburo meeting, expanded to include several elderly conservative figures. These denounced Hu, and probably several of his associates, including Hu Qili who had appeared his intended and most likely successor. The student unrest was thus the catalyst, not the cause, of Hu's fall.

4. Chinese leaders have since presented Hu's departure as a unanimous decision, taken with strong encouragement from Deng. This is partly rationalisation after the event, designed to minimise damage to Deng's position and to Party unity: Deng was clearly under strong conservative pressure. But, despite his generally pragmatic approach he has, like his more conservative contemporaries, attached more importance than Hu to Party control and discipline; and he was probably exasperated with Hu for ignoring his instructions to place greater emphasis on traditional Party values and possibly for advocating his own retirement. It is probable that Deng himself finally decided that Hu had become over-ambitious and irredeemable.

<u>The Campaign Against Bourgeois Liberalisation</u>

5. Since Hu's departure, there has been a vigorous campaign against "bourgeois liberalisation" (defined as the indiscriminate importation of Western political and cultural values, aimed ultimately at undermining the Party). Apart from Hu himself, its principal political casualties have been his proteges Zhu Houze and Ruan Chongwu, sacked in January and April as director of the Party Propaganda Department and Minister of Public Security respectively, and three prominent radical intellectuals, expelled from the Party for publicly advocating alternatives to Party authority, including a multi-party system. Ideological pressure (which had become unobtrusive) has been stepped up, particularly in universities.

6. Zhao has sought to narrow the scope of the campaign. Since January, he and other reformists have successively declared that it is limited to the Party and, within it, largely to political and ideological circles; that it will not extend to rural areas, scientific establishments, or literature and the arts; that it will not affect intellectuals outside the Party, people's lifestyles, economic reform, or the open door policy; and that political reform is still on the agenda. Various reformists have unequivocally endorsed sensitive aspects of economic reform, such as the principle of bankruptcy and the economic autonomy of factory managers.

7. Equally, conservatives appear to have tried to turn the campaign into a broader attack on the reform programme. They have demanded the reassertion of Party discipline and values (such as personal altruism and national self reliance), and the elimination of capitalist influence. Students have been praised for spending the winter vacation living and working with peasants, emulating one of the most unpopular policies of the Cultural Revolution. The army, whose veteran leaders have become more vociferous, has urged all

its members to struggle against bourgeois liberalisation, in apparent defiance of the campaign's limitation within the Party. There have been reports of wide-ranging campaigns in some provinces to identify "counter revolutionary criminals" (in Shanxi) and "Hu Yaobang supporters" (in Gansu). And conservative statements have implicitly criticised the economic reforms as too materialistic, ascribing current problems (such as inflation, increasing budget deficits, recently disappointing grain production, excessive unplanned investment and foreign exchange pressure) to the open door, excessive consumerism and too little central control.

8. The campaign reflects the fundamental issues which have defined the spectrum of political debate throughout Deng's ascendancy. They last came to the surface in the 1983 campaign against "spiritual pollution". There is general agreement that the economy should be more dynamic and efficient, that there should be no return to the chaos and egalitarianism of Mao's latter years, and that no fundamental challenge should be allowed to Party authority. But the reformists, to varying degrees, advocate unleashing market forces, requiring the decoupling of much economic decision making from Party control, and acknowledge that this will give some individuals and regions greater prosperity than others. The conservatives do not seek to unravel comprehensively the reforms already in place. But they do wish (again, to varying degrees) to correct what they regard as unwelcome consequences such as conspicuous individual wealth and insufficient popular respect for the Party and its ideals; and to limit the pace and extent of further reform, retaining greater Party control (over both political and economic life) and allowing less permeability to foreign influence. In general, the conservative voice is loudest amongst Deng's own generation of Party elders; and among the reformists, older leaders have been more cautious than younger figures.

9. These political differences are also affected by concrete economic problems (amongst which grain production is a particularly potent symbol). Continued economic success is crucial in maintaining the momentum of the reform programme. Many reformists themselves recognise that current economic problems call for greater caution. And underlying all these factors, on both sides of the debate, is a strong element of personal ambition and power play.

The Current Balance

10. In the weeks following Hu's downfall, the political balance appeared more delicate than for almost a decade. But, on the surface at least, the immediate tension has since relaxed somewhat. On 19 March, Deng publicly reiterated the need for a more dynamic and open economy, and decentralisation in decision making; and said that the autumn Party Congress would consider a "tentative" plan for political reform. And the annual meeting in late March of the National People's Congress (NPC - China's largely formal State assembly - the major political set-piece since Hu's fall) provided clear indications that the essential goals of economic reform (including controversial ones such as price and wage reform) survive, albeit to be pursued more cautiously, and with more emphasis on ideology. In his report as Premier to the NPC, Zhao said that the threat from Western political ideas had been curbed, reinforcing earlier signs that the initial vigour of the campaign against bourgeois liberalisation had been defused.

11. But the underlying issues remain unresolved and the reforms have inevitably lost momentum. Since Hu's downfall, the elderly conservatives have demonstrated unexpected resilience, cohesion and assertiveness, reflected in the increased emphasis on caution and ideology at the NPC. The NPC Standing Committee (under its conservative Chairman Peng Zhen) unexpectedly declined to put to the full Congress a complex but important draft law enshrining the

economic independence of factory managers. At the grass roots it is inevitable that, in this uncertain atmosphere, factory managers, peasants and local entrepreneurs will now be less willing to challenge obstructive Party officials.

12. Deng remains the dominant figure, but his position has weakened. As Hu's original sponsor, he has inevitably lost prestige. He must now listen more to the conservative lobby and it will be more difficult (and in some cases impossible) for him to push through controversial reformist decisions. As in previous disputes, he will probably continue to keep out of the centre of the fray, and operate by consensus manipulation rather than confrontation. But he will have to take greater account of the attitudes of the conservatives.

The Succession and the Party Congress

13. The pattern of leadership appointments up to and beyond Deng's departure will be a major indicator of how the differences are being resolved, and a major influence on the future of reform. The most damaging effect of recent events has been the disruption of Deng's careful efforts over several years to establish an experienced and cohesive reformist team, led jointly by Hu and Zhao as his immediate successors, with a "third echelon" of younger reformists (such as Hu Qili) beginning to take over some of their roles as early as this year. There were indications last year that Deng himself hoped to retire from his formal positions before 1988. But he probably cannot now take a less prominent role. Elderly conservatives are better placed to retain their own jobs, and there are signs that they are determined to do so.

14. Zhao's role is now crucial. He cannot retain both Party and State leaderships indefinitely, but the Chinese have announced that there will be no change until the Party Congress

scheduled for October. The future General Secretary will probably be formally elected shortly afterwards. Zhao is more likely to retain the more important Party job, and failure to do so would be an important setback for the reformists. There are few credible alternative candidates, and none with comparable reformist authority. If Zhao is confirmed as General Secretary, and continues to perform well, preserving the reformist impulse while responding sensitively to conservative concerns, he could establish himself as Deng's undisputed successor.

15. If Zhao does keep the Party job, the choice of his successor as Premier will be important. There is as yet no clear front runner. Possibilities include his reformist protege Vice Premier Tian Jiyun, and Vice Premier Li Peng, who is more closely identified with central planning. An older caretaker Premier is also possible, as is a lesser known provincial leader. But at this stage the contenders cover a wide political spectrum and there remains much to play for.

16. The Autumn Congress will be the next opportunity for other Party personnel changes Deng has announced that it will approve unspecified appointments aimed at rejuvenation. And its debate on political reform, however "tentative", could help to settle the issue of Party control over the economy. The Congress could thus set the tone of Chinese politics for the 1990s and the post-Deng era. Preparations and manoeuvering for it will dominate political attention throughout this summer (diverting further political energy away from promoting specific reforms).

Conclusions and Outlook

17. Relationships and consensus building between individuals and between factions remain more important in China than institutions and due process. Deng has striven to reverse this, but it is still clearly a distant objective.

18. The divergences in Chinese politics remain serious. The central issues are the extent to which market forces should govern the economy (and its relationship with the outside world) and the degree of Party control required to ensure that economic progress takes politically acceptable forms. The atmosphere has relaxed somewhat since the immediate aftermath of Hu's fall, but differences on these questions are no closer to resolution, and it will be difficult to make progress on sensitive issues of reform in the next few months. Deng remains the dominant figure, but must take more heed of conservative views. It is probably now too late for him to secure an orderly, comprehensive and experienced reformist succession. But Zhao has performed well so far: his role will probably be crucial in determining the prospects for the reforms after Deng.

19. The Autumn Congress (and preparations for it) should be an important influence on Chinese policies into the 1990s. But the patterns it will set, both for the leadership and the substance of the reform programme, remain uncertain. Important indicators will be the general public prominence of different contenders throughout the summer, the identities of those in charge of preparations for the Congress (recent rumours suggest that proposals for personnel changes may already be in the hands of prominent conservatives), and any further personnel changes beforehand (it would not be surprising if further controversial Hu placemen were not quietly removed). Further economic setbacks, or failure in tackling current ones, will weaken the reformists' position.

20. At this stage there can be no certainty that Deng and Zhao can succeed in charting a clearer course for reform. They have so far contained the threat to its essentials. But the programme will slow down. This may be helpful, in ensuring a cautious approach to serious economic obstacles such as inflation. And even if it proves impossible to break new ground on sensitive issues for the time

being, some reformist policies already in place (such as the student and other academic exchanges with the outside world) should prevent complete stagnation. But China is currently in a limbo between communist orthodoxy and the reformist ideal. Reform has in recent years been the dominant and most dynamic force in Chinese politics. To retain this position, as well as the ability to deliver tangible benefits to an increasingly materialist populace, reform needs the support of a firm political consensus. Recent events have put this in doubt.

CHINA: LEADING FIGURES IN RECENT EVENTS ANNEX

The follow-up figures are grouped roughly according to their political and economic views; but their actual divisions are more complex than this implies.

POLITICAL/ECONOMIC CONSERVATIVES - HARD CORE

PENG ZHEN

Age 85. Politburo Member. Chairman, NPC Standing Committee.
Has been denied a place on the Politburo Standing Committee and may resent younger people who have been preferred. Under his chairmanship, the NPC has become increasingly robust and has rejected or watered down important reformist legislation on several occasions. The most prominent conservative leader since Hu's fall, in which he may have played an important part.

LI XIANNIAN

Age 78. Member of Politburo Standing Committee. State President.
Formerly a prominent economic leader who continued to work throughout the Cultural Revolution. Probably less forceful than other leading conservative veterans. Like others in this category, has expressed the need both to oppose bourgeois liberalisation and to continue with the reform and open door policy.

CHEN YUN

Age 82. Member of Politburo Standing Commitee. First Secretary (ie head) of the Central Discipline Inspection Commission.
The leading economist amongst the political leadership. Highly respected. A conservative, but recognises the need to revitalise the centrally planned economy. Forcefully expressed concern over the harmful consequences of reforms at the 1985 Party Conference. Little sign that he played an active part in recent events. Appears infrequently. Possibly ill.

BO YIBO

Age 80. Vice-Chairman of the Central Advisory Commission.

Important economic official particularly before 1966; withdrew from economic work in early 1980s. Subsequently played important role in internal Party and cadre policy, advocating maintenance of traditional values. Reported to have played a major role in ousting Hu Yaobang; voiced clear conservative views at that time.

WANG ZHEN

Age 79. Politburo Member

A leading Party theoretician. Has gained a reputation as a hardline conservative over recent years and is thought to have played a leading part in the 1983 campaign against spiritual pollution. Critical of bourgeois liberalisation at the turn of the year but less active since Hu's fall.

DENG LIQUN

Age 72. Party Secretariat Member.

Headed the Central Committee Propaganda Department from 1982-85 and may have regained some influence over propaganda matters. Thought to have taken a lead in instigating the campaign against spiritual pollution and to have gunned for Hu Yaobang. Buoyant in the period after Hu's fall, but his activity has tailed off as the atmosphere has cooled.

POLITICAL/ECONOMIC CONSERVATIVES-MODERATES

YU QIULI

Age 73. Politburo and Secretariat Member. Director, PLA General Political Department.

A leading economic planner through the Cultural Revolution. Might support more central control. Appointment as Director of General Political Department in 1982 was a surprise and may have been a compromise. But faithful in implementing military reforms. Must have played a part in raising PLA's profile over recent months. Possible successor to Deng as Chairman of the Military Commission.

YAO YILIN

Age 70. Politburo Member. Vice-Premier.

Worked in central economic organisations in the 1950's but did not become a leading economic and poltical figure until Deng returned to power. A possible compromise interim Premier.

LI PENG

Age 59. Politburo and Secretariat Member. Vice-Premier. Minister in charge of the State Education Commission.

When appointed Vice-Premier in 1983 he appeared an up-and-coming reformist. Has since supported greater central control than do more committed reformists. Prominent since Hu's fall, especially in immediate aftermath, expressing conservative views. Strong candidate for Premier if the present more conservative mood persists. Lacks leadership experience.

WANG RENZHI

Age unknown. Director, Central Committee Propaganda Department.

Appointed on Zhu Houze's removal. Previously deputy editor-in-chief of Red Flag (the Party theoretical journal). Little known, but sympathies probably lie with conservatives given circumstances of his appointment.

POLITICAL CONSERVATIVES/ECONOMIC REFORMISTS

DENG XIAOPING

Age 82. Chairman, Central Military and Advisory Commissions. Member, Politburo Standing Committee.

Driving force behind reform and still the most powerful figure, although probably now has to listen more to conservative lobby. Despite his willingness to allow wide-ranging economic reforms and some relaxation in other spheres, has always ultimately insisted on strong Party Leadership.

<u>LI RUIHUAN</u>

Age 53. Mayor of Tianjin. Member, CCP Central Committee.

Recently praised by Deng for tough line in preventing student unrest in Tianjin. Possible alternative candidate for Premier. Record suggests he is innovative in economic matters but more traditional ideologically and politically.

REFORMISTS

<u>ZHAO ZIYANG</u>

Age 68. Acting General Secretary. Member, Politburo Standing Committee. Premier.

The leader most involved in formulating and implementing economic reforms. Has tended to steer clear of controversial ideological and political issues and is more acceptable to the conservatives than was Hu Yaobang. Has led efforts to limit the campaign against bourgeois liberalisation.

<u>TIAN JIYUN</u>

Age 58. Member, Politburo and Secretariat. Vice-Premier.

Responsible for controversial financial and price reforms. Close associate of Zhao. Probably the reformist candidate for the Premier. Lower profile than Li Peng since Hu's fall. Like Li Peng, lacks leadership experience.

<u>WAN LI</u>

Age 71. Member, Politburo and Secretariat. First Vice-Premier.

A leading reformer. Made an important statement on reform of the leadership system at the beginning of the democracy debates in 1986 and was active at the beginning of the student disturbances. Little prominence subsequently. Under present circumstances, seems unlikely candidate even as interim Premier.

QIAO SHI

Age 63. Member, Politburo and Secretariat. Chairman, Central Committee Political and Legal Commission. Vice-Premier.
Rose quickly in 1985-86. Affiliations unclear but probably with Hu Yaobang. Has appeared infrequently since Hu's fall. Before Hu's fall a strong compromise candidate for Premier, but probably now has little chance.

RADICAL REFORMISTS

HU YAOBANG

Age 71. Now Member of Politburo Standing Committee .
Earmarked to succeed Deng from early 1980s, probably for his drive, energy and commitment to change as well as his long association with Deng. His tacit encouragement of unorthodox political and cultural trends, alleged disrespect for veterans, and lack of personal gravitas have long provoked opposition from conservatives. Has appeared once since his removal, at the NPC on 25 March.

HU QILI

Age 58. Politburo Member. Permanent Secretary, Secretariat.
Before Hu Yaobang's fall, the outstanding candidate to succeed him. His close association with Hu and his similar views on political and cultural matters now count against him. Perhaps fortunate to have survived so far. Since January, has been attempting to mend fences with the conservatives.

ZHU HOUZE

Age 56. Now Deputy Director, State Council Rural Development Research Centre. Member, CCP Central Committee.
Often outspoken in his encouragement of freedom of expression in the 1986 democracy debates. A close associate of Hu Yaobang. Sacked in January as Director of Party Propaganda Department.

LIBERALS

<u>FANG LIZHI</u>

Age 51. Eminent astrophysicist. Now Research Fellow, Peking Observatory. Lost post as Vice-President of the China Scientific and Technological University in Hefei and expelled from CCP in January for propagating bourgeois liberalisation and encouraging students to demonstrate. Reported to have received permission to attend conference in Cambridge in June.

<u>LIU BINYAN</u>

Age 61. Writer. People's Daily Journalist. Vice-Chairman, Chinese Writers' Association.
Expelled from CCP in January for making unjustified criticisms of corruption in the CCP and of abuse and power.

<u>WANG RUOWANG</u>

Age 69. Writer.
Expelled from the CCP in January for propagating bourgeois liberalisation.

RELS/87/1246 13 July 1987

SOVIET UNION: THE CENTRAL COMMITTEE PLENUM

1. GORBACHEV was succesful in using the Plenum to strengthen his power base in a marked manner and to get his policies of reform accepted and endorsed by the Party establishment in general terms.

2. The Politburo has increased from 11 to 14, approximately the size it was under BREZHNEV, but the number of Senior Party Secretaries (Party Secretaries who are also full members of the Politburo) has doubled from 3 to 6, the largest number for at least 25 years. The promotion of 3 Party Secretaries - all to a greater or lesser extent under obligation to him - is a victory for GORBACHEV. For the first time the Politburo reflects the composition of the Secretariat, where GORBACHEV's primary power base lies.

3. On the economic front, GORBACHEV's achievement is to have knitted together the various strands making up the economic reform into a policy document endorsed by the Central Committee which, if implemented in full, would significantly affect the running of the economy. But the effectiveness of the Law on the State Enterprise as a vehicle for decentralisation will depend to a large extent on the scope of the subsidiary decisions on the economic mechanism to be adopted between now and the end of the year. And the lack of specific agreement over some of the measures, eg cutting down the size of the bureaucracy at the centre, and such crucial measures as price reform, is all too apparent. GORBACHEV acknowledged that there would in any case be a confused transitional period, and one which would see a broad public debate on the more controversial issues, eg the price mechanism.

Background

4. A Plenum dealing principally with economic reform had been mooted at the January Plenum, and at an early stage GORBACHEV announced it for June. In the event, it was probably postponed

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from early to late June through failure to agree on crucial points in the reform package.

GORBACHEV's Speech

5. GORBACHEV reviewed the porcess of "restructuring". He claimed that people were understanding the need for it better in the light of the contradictions in Soviet society which had nearly led to crisis. But there was not much time, and socialism would be judged by its success. His assessment was that the "command system of management was incompatible with a modern economy; in recent years the gap with the most developed countries had widened. He referred to the difficulties which restructuring was encountered through bureaucratic resistance, and noted that some Party organs were lagging behind "dynamic processes in society". But he was able to announce a date, 28 June 1988, for the Party Conference which he had proposed at the January Plenum, which would be a "political examination" on the theme of restructuring.

6. On current issues, GORBACHEV laid responsibility for the poor economic showing early this year at the feet of several central bodies including the State Planning Committee (GOSPLAN), headed by a Candidate Member of the Politburo, TALYZIN, whom GORBACHEV named. He used the unhindered flight of a West German light aircraft to Moscow as an example of persistent slackness "even in our army". He singled out 3 areas of direct interest to the population - food, housing, and consumer goods and services - for immediate improvement, with particular reference to the unshackling of individual, cooperative and local initiative in agriculture.

7. In setting out his economic reform programme, GORBACHEV developed ideas he had been floating since coming to power in 1985, particualrly in a series of economic speeches in the first half of 1985 and at the Party Congress in February 1986. But he was more than usually trenchant in his criticism of the current system, and he knitted his ideas into an interlinked set of measures intended to replace the current ad hoc series of experiments in decentralisation with an "integral, effective, flexible system of managing the economy".

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This would involve reducing the day-to-day influence of the central apparatus over the enterprises, and making the latter commercially viable, which in turn would involve some intrusion of market principles ("commodity/money relations" in GORBACHEV's vocabulary) in their work. But GORBACHEV repeatedly stressed that there would be no departure from the principles of socialism. A basic "Law on the State enterprise" would be submitted to the Supreme Soviet (it has now been passed), to be supplemented by a package of measures (12, according to GORBACHEV at an earlier meeting) on prices, supply, finance etc, by the end of the year. GORBACHEV gave until the beginning of the next five year plan (1991) to set the whole "new economic mechanism" in motion. His proposals were incorporated in the Plenum Resolution and in a lengthy document which had been submitted by the Politburo, entitled "Basic Principles for the Radical Restructuring of Economic Management".

Personnel Changes

8. The Plenum promoted 3 Party Secretaries to full membership of the Politburo. They are A N YAKOVLEV (63), a protege of GORBACHEV's who has been overseeing propaganda, culture science and education; N N SLYUNKOV (58), a former GOSPLAN Deputy Chairman, who at the January Plenum was transferred from Belorussian Party leader to Party Secretary overseeing the economic reform; and V P NIKONOV(58) who oversees agriculture and the food industry and who has been promoted directly to the Politburo, by-passing the Candidate Member stage.

9. At the level of Candidate Member of the Politburo, the former Defence Minister S L SOKOLOV (76), lost his place as expected, while the new Defence Minister D T YAZOV (63) was immediately promoted to Candidate Member status (and at the same time from Candidate to Full Membership of the Central Committee, thus clearing two hurdles in one jump).

10. D A KUNAEV (75), the disgraced former Kazakhstan Party leader, who was dropped from the Politburo in January, was expelled from the Central Committee, a rare humilitation,which might be a prelude

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to criminal charges being brought against him. But another close associate of BREZHNEV, V VSHCHERBITSKY (69), the Ukrainian Party leader, retained his place despite a weakening of his position since January (several regional Party Secretaries subordinate to him have been dismissed in disgrace and his own performance has been publicly criticised). So did G A ALIEV (64), the former Azerbaidzhan First Party Secretary, now a First Deputy Prime Minister, who has not been seen in public since 8 May and has been rumoured to have had a heart attack and/or to be under house arrest on suspicion of corruption. Once again, the dynamic and controversial Moscow Party leader, B N ELTSIN (56), was passed over for promotion from Candidate to Full Mamber of the Politburo.

Assessment

11. The presence in the Politburo of the 3 new Secretaries will ease the workload of the existing Senior Party Secretaries ZAIKOV (who may hand over his economic brief to SLYUNKOV and concentrate on industry, civilian and military) and LIGACHEV (who will presumably hand over his recently required agricultural brief to NIKONOV). LIGACHEV may retain overall supervision of Party affairs, but his influence - especially on ideology - will probably be diluted by the advent of YAKOVLEV, and his future role now looks unclear. While he has seemed to be a supporter of GORBACHEV on most issues, and indeed a prime mover in some, such as the anti-alcohol campaign, his pronouncements on ideological issues have recently been distinctly more conservative than those of YAKOVLEV, a standard bearer of glasnost, and a close advisor to GORBACHEV on foreign affairs. It is significant that SLYUNKOV is now senior in Party rank to TALYZIN, Chairman of GOSPLAN, who is reported to have been resisting GORBACHEV's plans for restructuring the economic mechanism. The rapid promotion of the new Minister of Defence, YAZOV, will go some way towards assuaging the military's humiliation after the CESSNA incident, to which GORBACHEV added in his Plenum speech.

12. The fixing of a date for next year's Party Conference is also a victory for GORBACHEV, though it remains an open question whether it will be the occasion for changes in the composition of the Central Party bodies as he hinted it should.

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Conclusion

13. This was a good Plenum for GORBACHEV. But discarding the "command economy" in favour of something more responsive to the requirements of the market is still proving hard-going.

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EASTERN EUROPE : IMPACT OF GORBACHEV'S POLICIES

Introduction

1. GORBACHEV has now visited all the East European capitals at least once. He is keen to see Eastern Europe pulling its wieght in an invigorated and more efficient "Socialist community" under Soviet leadership. But he gives a high priority to political stability and is probably resigned to waiting for older leaders to leave the scene and younger men to come through. He may hope that, perhaps with some Soviet coaxing, internal forces will produce leaderships which are more receptive to economic and political change, and more vigorous in implementing it.

GORBACHEV's Desiderata

2. GORBACHEV believes that it is essential for all the countries of the socilist community to improve their economic performance - and thus their political standing - by making full use of developments in science and technology and overcoming bureaucratic and organisational obstacles. He has also made it clear that their duty is to minimise their vulnerability to Western economic pressures.

3. In particular, GORBACHEV hopes to harness the potential and the achievements of a revitalised Eastern Europe to the Soviet revival. Consequently, he has vigorously urged the Eastern Europeans to work for greater cooperation and integration within the CMEA, to overcome the imbalances in trade between the USSR and the East Europeans, and to produce better quality goods. In a speech in Prague in April, he noted that the socialist community would not achieve success unless they all cared not just for themselves, but for "common interests". Echoing the BREZHNEV doctrin, he added that the interests of allies must be taken into account. However, he has been careful to point out that he is not trying to impose the Soviet reform package on other countries wholesale.

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He has acknowledged that some of the Eastern European countries have already embarked on some of the reforms he is advocating. Speaking in Prague, he commented that no single Party had a monopoly of the truth.

4. Given the latent anti-Russian feeling in most of the East European countries and the history of past 'explosions' when the Party lost control, GORBACHEV has been particularly restrained on the question of political change. It is clear that he considers political restructuring and "openness" to be essential for successful economic reform in the USSR, in that they give people a greater stake in society and expose weaknesses. East European support for these ideas would boost the appearance of cohesion between the USSR and its allies. But GORBACHEV will realise that political change in Eastern Europe must be introduced with care. Although he rejects stagnation, he, like past Soviet leaders is determined to maintain hegemony over, and stability in Eastern Europe. There is no reason to believe that GORBACHEV is any more prepared than BREZHNEV to permit an East European ally to drift out of the Soviet orbit. His purpose is, however, to manage the relationship with Eastern Europe in a way that will minimise the risk of crises and the necessity of Soviet military intervention.

5. The Russians are also showing greater sensitivity towards East European feelings over defence and foreign affairs matters. The East Europeans are consulted and briefed more than under previous Soviet leaders. The recent Warsaw Pact meeting in East Berlin agreed a common statement on military doctrine and proposed additional institutions within the Warsaw Pact to co-ordinate views, in particular on arms control policy. Despite indications that the Soviet Union is critical of East European levels of defence expenditure, there was no evidence of any pressure for additional defence spending. The Romanians have long promoted certain foreign policy initiatives independently of the other Warsaw Pact countries, but the others have recently also been given the opportunity to

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take initiatives even in sensitive areas, though doubtless under close Soviet supervision and on the assumption that such initiatives will ultimately benefit the USSR. They have, for example, resumed high level Party contacts, and the Poles have also resumed contact (by an exchange of the Interest Sections) with Israel (the Romanians had maintained contacts with both throughout). ZHIVKOV has recently visited the FRG (he was barred from going under Chernenko in 1984 because of the deployment there of Cruise and Pershing II missiles) and even Honecker (similarly barred in 1984) may visit the FRG later this year. This new Soviet approach to relations between Eastern Europe and the FRG partly reflects changed circumstances, with an INF arms deal probably imminent. But it is probably also intended to be seen in Eastern Europe, with the other examples of the new Soviet attitude, as a greater show of trust by the USSR for its allies, to the benefit of public perceptions of the USSR.

East European Reactions

6. The East Europeans support GORBACHEV's efforts to improve international relations and his arms control initiatives. They also generally support his calls for modernisation of the CMEA's economic and technological base, and some favour greater harmonisation and integration in certain areas. But they are resisting GORBACHEV's efforts to persuade them to supply the USSR with more high quality goods - which could otherwise be exported for hard currency - and trade growth rates within the CMEA are declining.

7. The actions of most of the East European leaderships also fall short of their words in regard to domestic change. All the leaders except JARULZELSKI have been in power for a long time, much of which they have spent earning the Soviet Union's gratitude by resisting change. Most of the East Europeans have introduced, or at least promulgated, new economic packages of one sort or another in recent years. But implementation has often been half-hearted. GORBACHEV's advocacy of reform has now strngthened the hand of those arguing in favour of economic reform. It has also

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made all the leaders aware that political reform is at least on the agenda. The leaders' reaction, however, has been far from uniform.

8. The Poles have been unequivocal in welcoming GORBACHEV's new approach, principally because of its political implications. GORBACHEV's emphasis on political changes at home and endorsement of JARUZELSKI's leadership give the latter greater freedom of manoeuvre to cope with Poland's unique problems. On the economic front the Polish Government have recently publicised a "Second Stage" of their economic reform programme. But JARUZELSKI (like previous Polish leaders) has been constrained by the magnitude of the problems he is facing, and the risk of violent Polish reaction.

9. The Hungarians, who have made the greatest efforts of all the East Europeans to reform their economy and have been inovative in other fields, were initially cautious, but have now expressed full support for GORBACHEV. The Hungarian reform programme has lost momentum in the past 2 years, and the ageing leadership have apparently wanted to safeguard the reforms they had already achieved in case GORBACHEV failed. But the appointment as Prime Minister on 23 June of GROSZ, a forceful and astute politician committed to economic reconstruction, suggests that a tough economic programme will be attempted.

10. Other Eastern Europeans have expressed enthusiasm and support for reform but have focussed mainly on the economic aspects of GORBACHEV's policies and have taken refuge behind references to 'different stages of development' and the impossiblity of 'mechanically transplanting' reform. The Czechoslovaks, who had been making slow progress since the late 1970s, have recently given new impetus to their existing policy of economic change, and the word 'reform' - forbidden for many years - was finally uttered in a public speech by Party Leader HUSAK in March this year, probably in preparation for GOR BACHEV's visit the following month.

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During that visit, HUSAK described many of GORBACHEV's key concepts (including restructuring, democratisation, and widening public information) as "prerequisites" for the further advance of Czechoslovakia's socialist society. But the present leadership have strong memories of 1968. A senior Party Secretary, while saying that Soviet policies were correct, has warned the Czechoslovak people against trying to exploit developments.

11. The Bulgarians have publicly endorsed openness and self-criticism, and there are a few signs of both even if not on the same scale as in some other East European countries or the USSR - they are thus outwardly loyal to the GORBACHEV line. Party Leader, ZHIVKOV has also accepted that there should be a "mutual influencing and mutual enrichment of political trends". The pace of economic reform has picked up during 1987. But the Politburo recently expressed its determination to follow the general course outlined at the 1956 (fifty-six) Plenum which very strongly suggests that they do not see a need for very radical changes. During his visit to the FRG in June, ZHIVKOV confirmed that Party structure also would change - altering a previous statement, possibly in response to gentle Soviet pressure. But any moves in that direction are unlikely to be very significant.

12. The GDR and Romania are the least enthusiastic about GORBACHEV's reforms. The GDR leadership at least have some justification for their stand: the GDR economy is, by Eastern European standards, successful. They can plausibly argue that it is better for the GDR to stick to proven formulas rather than try out bold and unproven ideas. But the East German leadership are clearly also very nervous about the political aspects of GORBACHEV's reforms, such as "openness". The people in the GDR are likely to be aware of GORBACHEV's reforms in the USSR from West German radio and television, but their own newspapers have carried only very selective accounts of GORBACHEV's major speeches (doubtless to the Russians' irritation), clearly indicating that the leadership

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do not intend to apply such measures themselves.

13. The Romanians, on the other hand, have no justification: they claim that they already have a reform programme which foreshadowed GORBACHEV's, but in fact it was on very different lines, has been applied very differently, and their economy is a shambles. They, too, have published only very selective accounts of GORBACHEV's speeches, hoping, no doubt, to conceal the true nature of GORBACHEV's proposed reforms from their own people. GORBACHEV countered this during his recent trip to Bucharest by giving a very full account of his programme in his major public speech. In so doing, he implicitly criticised many of the failings of CEAUSESCU's Romania.

Prospects

14. GORBACHEV has given an impetus to economic and political reformers in Eastern Europe (within the constraints of ideology and loyalty to the USSR). However, all the present leaders, with the exception of CEAUSESCU and JARULZELSKI, are in their mid-seventies (and CEAUSESCU is thought to be frail). Where thay have already embarked on reform programmes, they will probably continue. There may be important changes in Hungary (which, like Poland, is likely to be under pressure to satisfy IMF criteria also), but elsewhere the natural caution and inertia of the leaders, particularly on the question of political change, is probably strengthened by a sense of uncertainty as to whether GORBACHEV can push through his more radical reforms. If GORBACHEV went there could well be major retreats, particularly on the question of political reform, and they have no wish to be caught out.

15. There is a risk that GORBACHEV's policies could create divisive forces within the East European parties and societies. There are already strong divisions in several East European Parties. Moreover, there are probably younger officials who are interested in reform in many, if not all, of the Eastern European countries. But there does not seem to be much likelihood of a group of 'young Turks' coalescing and overthrowing the present leaders, particuarly

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since the latters' advanced age means that they will soon quit the scene in any case. Nor is popular reaction likely, in itself, to bring about change. Outside the Party, some opposition groups have recently tried to appeal to GORBACHEV over the heads of their own government. GORBACHEV's policies are also being watched with close interest by ordinary people (as was clear from, for example, the public reaction to GORBACHEV during his visit to Prague, and from the chanting of "GORBACHEV" by East German youths during recent disturbances at the Berlin Wall - although it is not known whether this was for ideological reasons or in order to provoke). But this is unlikely to lead to any early or major change. There is strong public pressure for change in Poland, which could erupt into unrest, but this has little to do with GORBACHEV.

Future Leaderships

16. There is a general recognition in most of Eastern Europe of the need for economic reforms (particularly for modernisation) and an acceptance(even though reluctant in most cases) that they will have to bow to Soviet pressure for more balanced trade and a greater degree of CMEA integration. But it is difficult, at this stage, to predict who will be the new leaders who might implement the new policies. The Russians cannot themselves simply dismiss the present leaders or appoint new ones (although their views will carry weight). Much depends on how long the existing leaders live. There are also many local factors in each country which will affect future leadership choices. In Bulgaria and Romania, the present leaders have deliberately removed possible rivals, and there may even be a period of collective leadership before a clear choice emerges. This could happen elsewhere too. But names that are tipped at the moment include JAKES (Czechoslovakia), GROSZ (Hungary) - although KADAR has been careful not to move him into a position appropriate to an heir apparent - and, possibly, KRENZ (GDR). All would be acceptable to the Russians (whose prime requirement is for stability). But circumstances could well change.

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Long-term Prospects

17. Whatever leaderships emerge, however, GORBACHEV seems likely to continue his efforts to broaden and deepen the relationship between the Soviet Union and Eastern Europe. The Russians and Poles have recently signed a joint Declaration on cooperation in the fields of ideology, science and culture, which is aimed at involving a much wider body of people in both countries in bilateral cooperation. GORBACHEV clearly hopes, probably against the odds, that such contacts, and a promise of new frankness about 'blank spots' in bilateral history (eg Katyn), will overcome popular mistrust of the USSR, and in the long term, help to lay the foundations of genuinely improved relations. Similar Declarations are probably being considered for signature with some of the other East European states. During his visit to Bucharest, GORBACHEV suggested increased cultural and Party exchanges between the Soviet Union and Romania.

Conclusions

18. GORBACHEV is pressing the East Europeans for improved economic performance and greater integration within the CMEA. He probably sees a need for a more responsive political system as well, at least in some countries, but only if this does not threaten stability or a weakening of ties with the Soviet Union. But he is not trying to impose an inflexible model, economic or political. Most of the East Europeans already had economic reform programmes (of varying kinds) before GORBACHEV came to power and, under GORBACHEV's influence, they may now move rather more determinedly than before. Except possibly in Poland and Hungary, however, the present leaders are unlikely to introduce major new changes, least of all in the political sphere. Expressions of popular discontent may be stimulated by perceptions of GORBACHEV's greater "liberalism" but such pressures should be containable, at least in the short term. GORBACHEV probably accepts that progress in Eastern Europe is likely to remain slow and patchy, but hopes that new leaders, in due course, will prove more willing to institute reforms. Meanwhile, he is laying the groundwork for imroving public perceptions of the USSR in Eastern Europe. He is applying increased efforts to involve the East Europeans in consultations on defence and international relations, although there is no evidence of any change in the underlying military relationships of the Warsaw Pact.

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RELS/87/0873 14 May 1987

THE SOVIET ECONOMY: RECENT ECONOMIC DEVELOPMENTS AND PROSPECTS TO 1990

Gorbachev and the Economy: 1985-86

1. Gorbachev took office in March 1985 with a clear recognition of the acute problems facing the economy. His strategy is based on a wholesale modernisation of industry which, he has acknowledged, will not be effective until the early 1990s. In the meantime he is hoping that better labour discipline, incentives, economic management and quality control will improve economic performance. Fundamental market oriented reform has not so far featured in Gorbachev's agenda. Improvements are to be achieved by making central planning work better.

The Twelfth Five Year Plan, 1986-90

2. Gorbachev's economic strategy was reflected in the Twelfth Five Year Plan for 1986-90. Total output, measured in Soviet terms, was planned to rise by 4% per annum.* The output of the machine building sector, which produces the bulk of capital goods for itself and the rest of Soviet industry, was scheduled to rise sharply. This sector, the centre of his modernisation plans, is instructed to translate the achievements of Soviet scientific and technological research into more advanced and reliable machinery for the rest of the economy, to underpin Gorbachev's drive for faster growth. Some 85-90% of Soviet machinery is to reach world quality standards by 1990. The plan also aimed to raise living standards quite sharply.

Economic Performance in 1985 and 1986

3. According to official statistics, the Soviet economy grew by 3-3.5% in 1985 and by 3.5-4% in 1986. Though still below Plan targets for those years, this was a distinct improvement on 1984. The consumer also

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* Soviet national income statistics exclude non-productive services such as health, education, culture, leisure etc. These sectors typically grow more slowly than the rest of the economy so that, measured in GNP terms, output grows more slowly than Soviet measures of output.

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appeared to have fared well. Retail trade (which accounts for about 80% of total consumption) reportedly rose by an average 5% per annum. The main blackspot in the past 2 years was the fall in oil prices which severely depressed hard currency export earnings (energy exports account for about 75% of Soviet hard currency non-arms export revenues).

4. However, there are some anomalies apparent in Soviet estimates of economic growth over the past 2 years which suggest it may be considerably lower than the Russians claim. One possible explanation is that, in reporting retail trade and aggregate national income statistics, the Soviet statistical authorities have changed the way they measure the contribution of alcohol to the figures. This may have been prompted by a wish to obscure the slow growth in consumer welfare resulting from the anti-alcohol campaign, especially since the economy was unable to increase the supply of other consumer goods to compensate. There is some evidence to support this hypothesis. But it is not a complete explanation for the anomalies.

5. Recent US measures of Soviet GNP (which synthesise estimates from microeconomic data on physical output and are not affected by the problems in aggregate Soviet national income statistics) confirm that growth in 1985 was much slower (around 2% in Soviet terms) than the Russians claim (3.5%). Indeed, it was the lowest for decades, after an almost equally poor year in 1984. For 1986, however, US estimates confirm Russian claims of a strong recovery in output. These findings are acceptable, though there is the possibility that even physical output indicators may overstate growth. What is clear is that the Politburo itself is now concerned at the state of Soviet statistics; they recently called for statistics to be absolutely authentic, an acknowledgement of serious uncertainties about the figures.

Developments in 1987

6. Growth in the first quarter was well below that necessary to meet Plan targets. Industrial production rose 2.5% and national income by 1% on a year earlier. Moreover, there was an extra day's production in that quarter compared to a year earlier which, by itself, could account for 1%

of the recorded growth. Against that background, performance so far this year makes for dismal reading for Gorbachev. Performance in January and February was particularly bleak. In part this was due to unusually severe weather. But it is also officially ascribed to failure to adapt to the new economic order and the rejection of large quantities of sub-standard goods by newly appointed quality control inspectors. What makes it especially worrisome for Gorbachev was a very poor outturn for the machine building sector; it failed to meet quality targets by a long way. To the extent that these reform measures do account for the poor performance so far this year and that Gorbachev sticks to his guns (recent statements by Prime Minister Ryzhkov re-affirm strong commitment to the measures), their influence can be expected to persist for some while. This will probably lead to a fairly depressed outlook for 1987 as a whole.

The Forecast

7. Gorbachev has set himself three broad objectives: faster growth, better quality and industrial modernisation. To reach any one would represent a considerable achievement. To do all at the same time is almost impossible since they are mutually contradictory. To achieve higher quality, production will have to slow down leading to lower output. To re-equip factories with more modern machinery would also be disruptive - again reducing output. His chance for success must be slight. Some recovery in Soviet economic growth rates from the low levels likely in 1987 can be expected over the rest of the decade. Soviet GNP is expected to rise by about 2% per annum over the period 1986-90, about 2-3% per annum in Soviet national income terms. This is little different from the previous Five Year Plan period. It is also far below what Gorbachev himself is looking for. It will present extremely difficult resource allocation choices between civilian industry, defence and the consumer. On past form, we would expect growth in defence spending to be preserved from any drastic cut. Under Gorbachev we cannot be so sure. Gorbachev's strategy for long run growth also means that industry must be given considerable new investment resources. Together, these factors imply that it is the Soviet consumer who is likely to take

it on the chin. Per capita living standards are forecast to grow barely at all over the rest of this Plan period. This last finding goes right against the grain of Gorbachev's intentions.

The Problems

8. What prevents the Soviet economy from growing as fast as Gorbachev would like? There are a number of constraints. Even if Gorbachev had as many investment resources as he wished, there is a limit to how fast the crucial machine building sector could absorb new investment. Gorbachev is asking this sector to provide the means for more dynamic long run growth for the whole economy. But before it can do this it needs to revive itself. This includes designing and building more modern and sophisticated machinery for its own use before it can do so for everybody else's.

9. But investment resources are not freely available to the machine building sector. This inhibits the supply of domestically produced investment goods even more. At the same time, a weak oil price prospect leaves the Soviet Union with a bleak hard currency balance of payments outlook, which will constrain imports from the West. The Soviet Union has an impeccable hard currency debt repayment record. It is doubtful that Gorbachev would jeopardise this by over-ambitious new borrowing, even though the Soviet Union's debt service ratio is low by international standards and there would probably be willing lenders. (However, there have recently been signs of market resistance to further Soviet borrowing at low spreads. While the Russians will be reluctant to see an increase in their borrowing costs, they may have no alternative if they wish to maintain their current level of borrowing.) Imports of Western machinery, therefore, cannot significantly augment domestic supplies. (The new intiatives on joint ventures may be intended to improve access to Western machinery. It is not clear yet how successful these will prove.) Eastern Europe is unlikely to make much contribution by way of machinery exports to the Soviet Union. Moreover, Gorbachev's drive to improve labour productivity may be thwarted by lack of material incentives for the labour force.

What can Gorbachev Do?

10. Gorbachev hopes that by 1990 the economy will be better placed to set off on a more sustained, high growth path. Projections suggest that the economy will be little - if at all - better placed in 1990 to achieve such an objective. What else can he do? Viewed from outside the USSR it is difficult to know. In Soviet conditions the strategy he is following may be broadly correct. A more thorough-going market-oriented economic reform, for example, might (even if politically tolerable) be even more disruptive than the changes he already plans. There seems little extra he could do except, perhaps, to reduce the growth in defence spending. Defence spending imposes a considerable burden on the Soviet economy, taking about 13-15% of GNP. It also absorbs best quality machinery, raw materials and labour. Some of this could undoubtedly be used in the domestic economy to the benefit of modernisation and long term growth. Even if lower growth in defence spending was politically acceptable it would not have much impact in overall growth in the short term. Nonetheless, if defence spending is to make way (temporarily) for a better equipped civil economy in the 1990s, the decisions would have to be taken soon. This may partly explain Gorbachev's current efforts on arms control.

Assessment

11. It is worth re-iterating that all forecasts, and especially forecasts of the Soviet economy, are uncertain. But, if they are broadly correct, Gorbachev faces a difficult period ahead. Few of the targets, if any, will be reached. Suffering from endemic inefficiency, poor quality, a sullen labour force and lack of flexibility, it will take some time for Gorbachev to engineer a substantial improvement in the economy. He has made a start and, in Soviet circumstances, his strategy may be appropriate. But, if it works at all, it will not work for some time. Meanwhile he faces the prospect of slower growth than the 12th Five Year Plan targetted.

12. It may be that the Plan target of 4% growth in national income is deliberately ambitious and that the leadership might be content with an outturn of 3% per annum growth, the upper end of the forecast range.

Evidence from a speech in Riga in February 1987 suggests that Gorbachev himself seems to expect a below Plan performance. He said:

> "... on a clear, objective and realistic view of the situation, the hardest years for us will be this and the next two."

This prognosis is notably more cautious than the strategy authoritatively stated by Prime Minister Ryzhkov at the XXVII Party Congress a year earlier:

> "... increasing dynamism in national income is envisaged. Its rates of growth will rise from 3.1% annual average over the last Five Year Plan to 5% in the 14th Five Year Plan. ... Such an increase in tempos and absolute growth of national income is necessary in order simultaneously to solve large scale economic and social tasks. This is required also to maintain the defence capacity of the country at the due level."

13. There is tension in Gorbachev's objectives for defence, investment and the consumer. It is the consumer who is likely to have to suffer. This may confound the increased expectations that Gorbachev has planted among the Soviet population. This will not help him in his efforts to improve labour discipline and productivity. Nor will it leave the Soviet economy well placed to support its CMEA partners and other client states. Gorbachev and his senior political supporters may have anticipated a difficult couple of years early in the course of the 12th Five Year Plan. Whether they foresee such a protracted and significant below-Plan performance as projected here is unknown. Gorbachev's economic strategy enjoys a greater measure of consensus among the leadership than his democratisation programme. But the economic prospect outlined here, if it is realised, will provide ammunition to Gorbachev's doubters and opponents. The vision and drive are his. His will be the political responsibility if they fail.

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RELS/87/1046 9 June 1987

SOVIET UNION:

DEFENCE SHAKE UP

1. The incident in which a young West German pilot landed in Red Square on 28 May caused GORBACHEV and the Soviet leadership considerable embarrassment. The Soviet Defence Minister, SOKOLOV, has been retired and the C-in-C of the Air Force sacked. The incident has allowed GORBACHEV to consolidate his grip on the military whose prestige has taken a severe knock.

2. There have been several incidents recently when aircraft entering or leaving Soviet airspace without permission whether by accident or design have been intercepted late or not at all. On the same day the Soviet News Agency TASS reported that a former Aeroflot pilot had illegally flown a Soviet light aircraft to Sweden. And just over a month earlier a Swedish fighter inadvertently strayed over the Soviet mainland without being intercepted.

3. When the latest incident occurred GORBACHEV and other senior Soviet leaders, including Defence Minister SOKOLOV, were attending a Warsaw Pact Consultative Committee meeting in West Berlin. On 30 May TASS announced that SOKOLOV had been retired and replaced by the most junior Deputy Defence Minister, General YAZOV. The Commander-in-Chief of the Air Defence Forces, KOLDUNOV, was sacked.

4. Despite 'glasnost' (openness) the Soviet people were /initially ...

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initially told only that the aircraft had landed in Moscow, not Red Square. Even when the true facts were revealed it was in a low circulation weekly which has been one of the main standard bearers of 'glasnost'. The fact that the pilot was a German makes the leadership's embarrassment worse. The official communique of the special Politburo meeting convened on Saturday 30 May to discuss the affair, printed in Pravda, referred to 'major ommissions in the management of troops on the part of the Soviet Ministry of Defence' and to a decision 'to strengthen the leadership' of the Ministry. There had been rumours for some time that SOKOLOV (75 years old, poorly, and a CHERNENKO appointee) would soon be retired, and possibly replaced by a civilian. In the event, the leadership have chosen a military man, which will be some comfort to the military establishment.

5. YAZOV's appointment is a surprise. He was made a Deputy Defence Minister only in February this year and has been promoted over twelve other Deputy Ministers and three First Deputy Ministers (AKHROMEYEV, KULIKOV and LUSHEV). AKHROMEYEV has played a prominent part in recent arms control negotiations (especially at Reykjavik), and LUSHEV stood in for SOKOLOV when the latter was unable, through illness, to read last November's Revolution Day address. It seems possible that GORBACHEV has taken the opportunity to promote a man who had already been chosen to carry out some 'restructuring' in the Ministry of Defence, as Deputy Minister in charge of personnel. GORBACHEV will doubtless hope that YAZOV, who is beholden to him for his position, will now be better able to implement this policy.

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6. YAZOV is also junior in Party terms. SOKOLOV has been a Candidate Member of the Politburo: YAZOV is only a Candidate Member of the Central Committee. He will almost certainly be promoted to full membership at the Central Committee's Plenum, later this month. He could in theory be promoted also to Politburo membership, or more likely Candidate membership, immediately, but this would be a very big step. He may be expected to show that he is putting his house in order first. Having no direct Politburo representation would further reduce the status and power of the military, which has already endured some public downgrading of its role under GORBACHEV.

Military Implications

7. The report of the Politburo meeting criticised the Air Defence Forces' Command for displaying 'impermissible lack of concern and resolve about cutting short the flight of the intruding aircraft without resorting to combat means'. Subsequent statements suggest that this rather ambiguous wording means that they should have found some way of forcing the aircraft to land without shooting it down. The official Politburo statement claims that the aircraft was detected even before it entered Soviet air space and was in fact intercepted twice. The failure of the intercepting aircraft to force the intruder to land, or of the air defence units to alert adjoining areas, were presumably the particular causes of the Politburo's indignation.

8. An investigation is now under way into the Rust incident and those responsible. It also seems likely that there will be a close examination of Soviet air defence capabilities, especially with regard to low-flying targets. Some tightening up of procedures can be expected. Current rules of engagement /stipulate ...

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stipulate that intruders should, if possible, be forced down, and not shot down. But these rules have been violated before (as with the Korean Air Lines 747). In the aftermath of this incident the Russians are likely to take an even more rigorous attitude towards aircraft flying close to, or infringing, Soviet air space. There must be a greater risk that future intruders may be shot down.

9. No inferences should be drawn from this incident about the likely Soviet response to low-flying military targets, including cruise missiles, particularly at a time of tension or war, when Soviet Air Defences would be at a high state of alert. If the aircraft had been identified as military, it would undoubtedly have been intercepted vigorously and, if necessary, shot down.

Conclusions

10. GORBACHEV and the leadership have taken the opportunity to remove SOKOLOV, and to bring in a new broom. They may use the incident to argue that the military should make better use of existing resources. The Russians can be expected to pay particular attention in future to improving the performance of their air defences. Intruders, accidental or otherwise, could face greater risks as a result. But this incident does not reflect on the ability of Soviet air defences to detect and destroy military targets penetrating Soviet air space in time of tension or war.

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RELS/87/0979 29 May 1987

IRAN/IRAQ:

THE WAR SINCE THE BATTLE OF BASRA

General

1. The Iranians retain the capability to launch limited ground attacks along the whole front. But the Iraqis are alert to the threat and continue to make improvements to the defences of Basra and to dispositions elsewhere along the front. The onset of the hot dry weather favours the Iraqis due to their greater mechanisation. The Gulf is likely to remain the main combat area in the war - at least until the winter months.

The Land War

2. Karbala 5 resulted in the longest-sustained fighting of the war. It was launched by the Iranian Revolutionary Guard Corps (IRGC) opposite Basra on 9 January and ended around 10 March through exhaustion. There were heavy casualties on both sides and significant air losses. The Iraqi defence of Basra held firm but the Iranians managed to retain their new salient south of the Fish Lake and within 20 kilometres of the city centre.

3. Since Karbala 5 the Iranians have carried out a succession of limited attacks along the front line, probably with the intention of continuing attrition and keeping up psychological pressure on the Iraqis (Karbalas 6 and 7,

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divisional sized attacks in the northern and central sectors, finished before the end of the Battle of Basra). Karbala 8 was a new assault in the Basra salient in April which lasted ten days and gained the IRGC no new ground. Karbala 9 was carried out by regular forces in the central sector near Qasr-e-Shirin between 9-15 April and succeeded in recapturing some of the small amounts of Iranian territory still held by the Iraqis.

4. In the mainly Kurdish area in the north, Fath 5 (launched on 14 April) and Karbala 10 (on 24 April) appeared to be small operations conducted by Iranian forces and Iraqi dissident Kurds, mainly for propaganda value. The Iraqi government has responded to increasing Iranian-supported Kurdish guerrilla attacks in northern Iraq, especially the oil-producing region around Kirkuk. The Iraqis are facing an increasing internal security problem in the area. They are responding ruthlessly with land and air attacks, including the use of chemical weapons (CW).

5. A CW inspection team from the United Nations visited Iran and Iraq at the request of both governments. It verified that the Iraqis had used mustard gas, and probably on occasions the nerve gas Tabun, on Iranian military forces and civilians during Karbala 8. The team also found evidence of phosgene and mustard gas injuries to Iraqi troops on 10/11 April, but no evidence that the Iranians had delivered it. On 21 May the Iranian Foreign Minister denounced the UN report as 'weak' and warned that Iran 'cannot regard its policy of non-use of CW as unchangeable'.

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The War in the Air and at Sea

6. Up to December 1986 the Iraqis' intensive air offensive had inflicted very serious damage on major sectors of the Iranian economy. The Iraqis have not returned to such an offensive and the Iranians have now largely recovered from it. This relief may have been caused by Iranian pressure in the land war. But since the end of Karbala 5 the Iraqis have attacked oil installations on Kharg and Sirri Islands, rigs in the northern Gulf and the Sassan oil field, the Ahvaz oil field (on 15 May) and eleven oil tankers on the Kharg shuttle, three of them on 17 May. Although the attacks have caused some damage, there appears to have been little reduction in oil exports, which is estimated at around 1.6 million barrels a day (ie a return to the level of exports before the air offensive, and the minimum necessary to maintain essential imports). On 13 May the Iraqis attacked the Isfahan and Tabriz oil refineries for the first time in three months. Damage appears to have been light, but subsequent heavy Iranian artillery shelling on Basra and on economic targets within range may have been in response to the attacks on these sensitive targets.

7. On 17 May an Exocet missile launched by an Iraqi aircraft hit the USS Stark, a frigate from the US Gulf patrol, killing thirty seven members of the crew. This was the first attack on a US ship (or on a warship from any non-Gulf state) in the war. Iraq has admitted the attack, issued a qualified apology, and offered to pay compensation. It is probable that the Iraqis made the attack in error. The Stark was close to the Iranian Advice Line north of which Iraq considers any ship to be a target. There was a tanker near enough to have been confused with the Stark on Iraqi radar. And earlier the same day the Iraqis hit another tanker south of the Advice Line.

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8. The concentration of Iraqi attacks between 13 and 17 May marked a temporary upswing in their attacks against Iranian economic and shipping targets. The USS Stark incident is not likely to deter Iraq from continuing to seek shipping targets in the Gulf though they may now exercise greater caution before attacking, particularly near the Advice Line. Overall its air power against the Iranian oil export and domestic economic infrastructure remains Iraq's best counter to Iran's strength on land.

9. The Iranians have kept up their attacks on shipping in the Gulf in retaliation against Iraqi attacks on the export of Iranian oil. Attacks on shipping by both sides are running at the same level as in 1986. The buoyant oil market has lead to an increase (15-20 per cent) in the number of commercial craft using the Gulf since the end of last year. Since the end of Karbala 5 there have been three attacks with SEAKILLER missiles fired from frigates, and one with helicopter-mounted missiles. Iran has also been using some of their numerous fast patrol boats based on some of the many small Iranian islands in the Gulf to attack shipping using hand-held weapons (RPG-7 etc). This new tactic causes limited damage only but enlarges Iran's ability to hit unarmed merchant ships over a wide area and at any hour. It therefore alarms the ships' crews and owners. The Iranian Navy mans groups of these boats, but some appear to be crewed by the IRGC who may carry out attacks on their own initiative.

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10. Recent intelligence confirms that Iranian attacks continue to be concentrated upon Kuwaiti shipping and shipping bound for Kuwait, because of Kuwait's support for Iraq. The naval command recently repeated its order to frigate captains to ignore the presence of foreign warships unless they were escorting target ships. Kuwait has been negotiating since late 1986 with the US and USSR for protection for its oil exports. The US government is prepared in principle to register eleven Kuwaiti tankers under the US flag. It is likely that Kuwait expects the US Navy to escort these tankers through the Gulf, but US policy is under scrutiny again in Washington after the attack on the USS Stark. Kuwait has also chartered three tankers from the USSR. Tehran has bitterly condemned this new superpower involvement in the Gulf. On 6 May an Iranian patrol boat attacked and superficially damaged a Soviet freighter which had probably delivered military equipment for Iraq at Kuwait. It is likely from the area of the attack that it was not sanctioned by the Iranian naval command: but hours later President KHAMENEI again condemned Soviet assistance to Iraq and its naval presence in the Gulf, implicitly endorsing the act. The Soviet response has been cautious: Tass denounced the attack without naming the perpetrator, and the Soviet ambassador in Tehran later handed over a protest. On 16 May the second of the Kuwaiti-chartered Soviet tankers to enter the Gulf struck a mine off Kuwait, causing damage to the hull but no casualties. (Early in the war Iraq laid mines off Iranian ports. Some have broken free and drifted. They have damaged several ships during the war). On 22 May the Speaker of the Iranian Majles, RAFSANJANI condemned both superpowers' involvement in the Gulf and stated 'the US flag will not protect Kuwaiti tankers'.

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Foreign Relations

11. During 1987 there have been suggestions of subtle shifts in the relationships of the supporters of either side in the Gulf War. Libya's relations with Iran have been strained since the middle of 1986. There were signs in March this year that Libya and Iraq were working towards a rapprochement, possibly as part of QADHAFI's need for better relations with Arab states following his serious setback in Chad. Reports of a meeting in early May between President ASAD of Syria and President SADDAM HUSSEIN of Iraq cast doubt upon Syria's support for Iran. ASAD is likely to be under pressure from the USSR and Saudi Arabia to distance himself from Iran, but subsequent virulent denunciations of each other in the Syrian and Iraqi press suggest that Syria has not changes sides. Iran's relations with the USSR, at a low ebb after its attack on the Soviet freighter, had already worsened at the end of April with the Kuwaiti charter of Soviet tankers and the Soviet renewal of a friendship treaty with Iraq. Iran will be disappointed by what it sees as this Soviet demonstration of partiality in the Gulf, after Iran's efforts in late 1986 to imporve economic and diplomatic relations with the USSR. And Iran's attacks on shipping have recently led to warnings from Japan (a main participant in Iran's oil trade) and China (Iran's most important arms supplier).

12. Throughout the war Iran has used a 'stick and carrot' approach with the Gulf and Arab states, attempting alternately to frighten or woo them away from active support of Iraq: the need for a measure of cooperation over oil pricing has also helped to restrain Iranian coercion. Iran's fear of further isolation may lie behind recent Iranian overtures to these states (Kuwait apart). Oman is seeking to improve relations with Iran: and Iran recently completed an oil agreement with the YAR. But the breaking of diplomatic relations by Tunisia in March and the closure of the Iranian interest section in Cairo in May are setbacks for Iran's relations with the Arabs.

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So was the unanimous decision on 8 April by the Arab League - including Syria - to issue a resolution calling for early implementation of UNSCR 582, and the despatch of delegations to members of the UNSC. (UNSCR 582 was passed in February 86. It called for an immediate ceasefire, a withdrawal to internationally recognised boundaries, and a negotiated settlement to the conflict. Iran rejected it). Confidential discussions on the Iran/Iraq war have been taking place since January between the permanent members of the UNSC.

13. Kuwait remains a special case: the Iranian leadership continues strongly to attack Kuwaiti support for Iraq. It is probable that Iran provided support, and probably some degree of direction , for a recent series of fires and explosions in Kuwait (the latest on 22 May). If the Kuwaitis get the full protection of Soviet and American flags a further increase in pressure on Kuwait to be likely.

Arms: Recent Developments

14. There has been no change in the overall pattern of arms supply since March 1987. Both sides are rebuilding stocks after the losses in the recent land battles, but new developments centre upon the Gulf. The Commander of the Iranian Navy used the threat posed by the acquisition of new warships by Iraq to justify the deployment of Chinese SILKWORM missiles in the Gulf after it became public knowledge

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in March. The status of this deployment remains that there are two possible prepared sites around the Straits of Hormuz area, one at Kuhestak and one on Qeshm Island, with much SILKWORM-associated equipment concentrated at the BANDAR ABBAS naval base. But the single deployment of one launcher, and the low level of electronic testing, suggest that the SILKWORM batteries are still not fully operational. Probably at least five systems are on order (four launchers per system) of which three systems and at least 40 missiles have been delivered. There is little evidence of how the Iranians intend to use the SILKWORM. The deployment of this mobile system will greatly increase Iran's capability to interdict shipping in the Gulf: but selective targetting will be difficult in the congested area of the Straits.

Outlook

15. Neither side has a clear advantage. The Iraqis are improving their defences against the Iranian ground attack capability. The situation in the Khurdish north of Iraq is demanding greater Iraqi attention but is manageable. The Iranians may be prepared to use CW but are less well protected and face massive retaliation.

16. Activity of both sides in the Gulf will be significant at least until the winter months. The Iraqis may seek to repeat their success in the autumn of 1986, when they inflicted severe damage to Iran's economy from the air. But conditions have changed since last autumn, reducing both sides room for manoeuvre. The presence of the SILKWORM missiles, the new Iranian tactics with fast patrol boats, and the /serious ...

serious Iraqi mistake in attacking the USS Stark, will alarm third parties and bring pressure on Iraq not to pursue its air attacks too vigorously. Iran's ability to find suitable shipping targets in retaliation against Iraqi attacks is also being made more difficult by the increased presence of foreign warships, heightened concern for the safety of Western ships, and Kuwait's efforts to secure superpower protection for its oil exports. The scale of these increased difficulties depends to a great extent on future US decisions. The high-profile US escort provided to a Kuwaiti merchant ship carrying US arms to Bahrain on 26 May, and President REAGAN's reaffirmation on 27 May that the Gulf must remain open for international shipping, indicate a robust US line. But the Iranian leader ship shows no sign of being deterred from its policy of using ship attacks to retaliate against Iraqi pressure on Iranian oil exports. The risk of third parties being drawn into military action has risen.

SECRET

THE GDR ECONOMY: SOLITARY JEWEL IN EASTERN EUROPE'S TARNISHED CROWN?

1. This note considers recent developments and prospects for the GDR economy and looks at some of the political implications, particularly in its relations with the USSR.

Background

2. Although lack of reliable statistics precludes confident analysis of the East German economy, it is probably the most successful in the Soviet Bloc. Its industry is more efficient and technologically advanced than any other in the Communist region; the quality of its output is generally better, and consumer living standards are the highest in CMEA, with the possible exception of Hungary. Much of this relative success may be due to characteristic German efficiency. But other factors are also important, including its unique links with West Germany. GDR's exports to the FRG (a particularly important market) do not attract EEC customs duties and there are numerous arrangements which, within reasonable limits, give the GDR ready access to dependable and cheap credit. Moreover, the FRG is an important source of high quality machinery. The GDR has also made more effective use of Western machinery imports (financed by hard currency borrowing) than its CMEA partners. Finally, a number of administrative reforms to the central planning system, the most important of which was the formation of Kombinate (associations of enterprises integrating all stages of production of particular commodities), have allowed a more flexible and efficient response to problems.

3. But the GDR's performance stands out only in comparison with the mediocre achievements of its communist neighbours. In general, quality and efficiency lag well behind Western economies and some newly industrialised countries. While the consumer is reasonably well served for essential items such as food and housing, quality household durable goods are only available, if at all, in special, high priced shops (the Delikat and Exquisit stores) and the hard currency Intershops. They are beyond the means of low income groups (particularly pensioners) or those

without access to hard currency (normally from relatives in the FRG). While the East Germans may recognise their superior living standards within the Bloc, they are more inclined to compare them with the much higher standards enjoyed by the West Germans.

Performance in the 1981-85 Plan

4. Unlike other Soviet Bloc countries the GDR set marginally more ambitious targets for the 1981-85 Plan period compared to the previous Plan. It got off to a reasonable start but was knocked off course in 1982 by the tightening of hard currency credit (after the Polish and Romanian financial crises) and a 10% cut in oil deliveries from the USSR (because of its own shortage of hard currency). The Russians offered to make good the cutbacks but only if CMEA countries paid for it in hard currency. The East Germans opted, instead, to further expand lignite production (virtually its only indigenous fuel), despite a previous long term strategy to reduce dependence on this hard to use fuel. The adjustment to these developments in 1982 led to the lowest annual growth for decades and caused some fall in living standards. Thereafter, the economy recovered to give a reasonably satisfactory outturn.

5. Adjustment was facilitated by the earlier industrial reforms. But the links with the FRG were, arguably, more important; they enabled the GDR to make only relatively small cuts in investment and imports, compared with their CMEA allies, with less damage to growth. Measures to improve the hard currency current account were largely successful in halting the growth of debt. This paved the way for a resumption of borrowing in 1984-86, which was used to augment reserves as a buffer against possible future failures of creditor confidence. Trade with CMEA partners also went back into aggregate surplus in 1983 (after almost 8 years of deficits) largely by reducing the deficit with the Soviet Union. This was not an unmitigated blessing since these deficits were, in effect, free deliveries of material and fuel.

The 1986-90 Five Year Plan

6. The main quantitative targets for the current Five Year Plan (4.6% per annum growth for national income) are slightly lower than the previous Plan (5%) but close to the outturn for 1981-85 (4.5%). Great stress has been put on modernisation and improved quality to enhance both domestic living standards and external competitiveness. Growth is to come mainly from improved labour productivity and there are to be substantial savings in raw material and energy use. The authorities have indicated the need to expand trade with the West, though precise targets have not been published. With regard to trade with the Soviet Bloc, the GDR targets a 5% per annum increase in exports to CMEA as a whole and 5.5% per annum to the Soviet Union. It has also endorsed, in public at least, Gorbachev's aim of greater intra-CMEA cooperation to ensure the "economic impregnability" of the Socialist economies.

Performance in 1986

7. Growth was close to Plan, though some particularly important sectors performed less well. Energy saving was less than planned and investment grew considerably faster than intended, perhaps because the authorities lack sufficient control on investment spending (a common problem in centrally planned economies). Retail trade through the Delikat, Exquisit and Intershop stores rose rapidly in value, though much of this may have been due to inflation. Nonetheless, this shows the growing importance of these high-price outlets. The surplus on hard currency trade fell markedly; export earnings from petrochemicals (derived from processing Soviet and other crude oil) were depressed by low world prices, and the surge in domestic investment may have diverted goods away from exports and sucked in imports. Reduced exports to, and increased imports from, the Soviet Union resulted in a record trade deficit with the Russians, counter to the avowed intent of both sides.

The 1986-1990 Plan - An Evaluation

8. Judged simply against performance over 1981-85, the present Five Year Plan does not look over-ambitious. But a number of factors suggest that it may be difficult to realise. First, a major source of growth

during the last Plan was the elimination of glaring inefficiencies. With such opportunities now substantially reduced, there is less scope for further easy improvements, certainly not on the scale realised over 1981-85. Second, growth is to be achieved with no increase in the use of labour and raw materials and only slight growth of energy consumption. Progress on this, along with the projected modernisation and improvements in quality, will require a major investment programme, major both in the quantity of investment required and in the design of a coherent investment strategy to meet the authorities' multi-faceted objectives. There is little sign of such a strategy; the investment over-run in 1986 suggests that it is not being controlled according to a set of strict objectives. Moreover, despite some success in modernising high technology sectors much of industry still suffers from outdated equipment. Finally, there is a difficult energy outlook. Lignite will remain the dominant fuel into the 1990s. It creates serious pollution problems which may become an irritant in its relations with the FRG. Nuclear power is also scheduled to increase but may have received a setback in the wake of Chernobyl.

Tensions in the Plan - Investment v Consumption v Exports

9. Against that background it is dubious that output targets will be reached. This will pose some difficult conundrums for the authorities, the resolution of which will determine just how far they fall below target. With a need to maintain certain minimum levels of hard currency earnings (for debt service and machinery imports) and the Soviet Union clamouring for more goods from the GDR, any shortfall in growth will, if these needs are met, mean less goods for domestic use than planned. (The authorities may, of course, sacrifice exports both to the West and East. On balance we think this unlikely. They will do all they can to maintain hard currency earnings. They would also find it difficult to sustain reduced exports to the Soviet Union - see paragraphs 12-16.) There will then be a conflict between defence spending, the consumer and investment. In practice, this is likely to become a choice between consumption and investment.

10. The table shows a reasonably satisfactory outlook for the hard currency balance of payments (sustained but declining surpluses) and some reduction in gross debt. Western banks also look on the GDR comparatively favourably. External factors should not, therefore, impede imports of Western machinery. But such imports will satisfy only a part of the GDR's needs for investment goods. Most will have to come from domestic sources. In our view, the domestic economy cannot provide such investment without sacrificing targets for consumer welfare. Though the authorities showed some willingness to sacrifice their consumer welfare targets in 1982, it is most unlikely that they would impose protracted consumer hardship over the rest of this decade. If they do not, investment would have to be cut back to the further detriment of growth. This is a horribly circular problem for the authorities. Investment is essential for their growth targets, but can only be achieved in sufficient quantity by restricting consumption. If this proves unpalatable to the leadership and investment targets are reduced to divert resources to the consumer, growth will be lower and living standards will grow only slowly anyway.

11. Despite the SED's declared aim to improve consumer welfare more rapidly, living standards will probably rise only slowly. With more goods also reportedly to be marketed through the hard currency Intershops, there will be jealousy of those with access to hard currency from those with no such opportunities. Most rank and file Party members do not have access to hard currency and are, therefore, excluded from using these stores. This may be a particular problem for the regime since it depends on these functionaries to maintain the system. There will also be continued general grumbling about the shortage of high quality goods. But the authorities will maintain their commitment to subsidise basic items and ensure that the East German consumer does better than his CMEA neighbours. Living standards should not, therefore, be a source of serious popular discontent.

Soviet-GDR relations

12. The muted economic outlook may also affect Soviet GDR relations. The GDR is Russia's most important ally economically and, arguably, militarily. (Politically, Jaruzelski has been trying - and has probably succeeded - to re-assert himself as primus inter pares. This is a source of irritation to Honecker.) It is the USSR's biggest trading partner and vice versa. The Soviet Union supplies most of GDR's raw materials; meets most of its fuel import requirements and supplies some essential manufactured components. For its part, the GDR provides the Soviet Union with high quality optics and micro-electronics (particularly for military purposes) and exports better quality machinery and consumer goods than other CMEA members. But this symbiotic economic relationship has been subject to increased strain over the last few years. The Russians complain of poor quality, failure to fulfil contractually agreed deliveries and over-pricing. The Germans complain of excessive Russian demands for high quality goods; high Soviet oil prices; and quality and delivery failures in Russian industrial components. Moreover, the GDR has in practice been reluctant to participate in the closer industrial cooperation to which Moscow attaches great priority in its drive for CMEA integration. In East German popular imagination, the GDR goose is being plucked by the Russians. The East Berlin leadership subtly plays on the burden of Soviet demands in excusing failure to meet promised increases in living standards.

13. Like all Eastern European CMEA countries, the GDR is under pressure to unwind the cumulative deficits run up with the Soviet Union in the decade or so up to 1985. Last year confounded this objective. The Russians appear to have rejected a large proportion of GDR deliveries for reasons of poor quality. For their part the East Germans maintained the goods were up to scratch and refused to make good the deficiencies claimed by the Russians. It is likely that visits by Honecker and Mittag to Moscow in October 1986 and senior Soviet officials' trips to East Berlin in early 1987, addressed these difficulties. They have not yet been satisfactorily resolved.

14. The GDR's links with the FRG are also a source of some concern to the Soviet leadership. (They have, so far, frustrated Honecker's desire to visit West Germany.) The Russians acknowledge that access to credit and technology from West Germany benefits the GDR and, indirectly, the rest of the Soviet Bloc. But the Russians are highly suspicious of these links. They are concerned that the best quality GDR goods are exported to the West rather than to CMEA (a threat to the "economic impregnability" of CMEA). But above all, the Russians fear the spectre of reunification which may be encouraged, in the popular mind, by close economic links with the FRG.

15. There is other evidence that relations between Moscow and East Berlin, and between Gorbachev and Honecker personally, are not as warm as they could be. Gorbachev's message of congratulations to the East German when he was re-elected leader of the SED in February 1987 was not couched in the same warm terms as those sent to Kadar, Jaruzelski and Zhivkov on similar occasions. For its part, the East German leadership has given minimal public coverage, and even less endorsement, to economic (and political) reforms being pushed through in the USSR by Gorbachev. This may reflect a desire to avoid pressure for similar reforms in the GDR rather than personal animosity.

16. Lukewarm though Soviet-GDR relationships may be, however, there is no sign of any significant worsening. The GDR will remain crucially dependent on Soviet supplies of fuel and raw material and will have to attach continued high priority to trade with the USSR. But the East Germans will bargain hard with the Russians to try to hold on to more goods, both for their own use and export to the West. And there is always the chance, due more to below-Plan performance than lack of will, that the East Germans will fail to fulfil their contracts. For their part, the Russians value German exports and the GDR's contribution to Warsaw Pact defence spending. (The GDR allocates more of its total resources - about 6% of GDP - to defence spending than any other non-Soviet CMEA country. Defence spending is also increasing faster than in any other East European country.) The USSR will continue to press the GDR but will stop short of sanctions, such as cutting oil supplies or

other raw materials, for any East German failure to meet Soviet demands. Such action could damage the GDR's growth prospects and might generate political instability.

Conclusions

17. Probably the GDR's targets for the latest Five Year Plan (1986-90) are over-ambitious. Growth in living standards is likely to be slower than the authorities hope for. But none of this is likely to spill over into sufficiently widespread discontent to threaten the regime. The GDR will continue to benefit significantly from its links with FRG. Economic relations with the Soviet Union are likely to remain difficult and this will add to some political tensions. But the advantages both sides draw from their relationship are too great for it to be threatened by prospective economic developments. In the final analysis, they are bound by a fundamental political interdependence; the East Germans because they have no legitimate existence outside the Communist Bloc and the Russians because they are vitally concerned to avoid any developments which may encourage thoughts of re-unification.

18. On economic reforms, the present leadership is unlikely to implement anything more radical than the administrative changes it has already undertaken. These reforms aimed to improve the operation of what remains the most strictly controlled, centrally planned economy within the Bloc (except perhaps Romania). Unlike other CMEA countries, the GDR has not experimented with more market-oriented reforms. It can, however, point to greater success, albeit against lack-lustre competition. Whether this makes it a model for future reform in the Soviet Bloc is debatable (the Soviet Union has shown some interest in East German reforms); it is not clear whether success is due to the nature of the reforms themselves or the Prussian thoroughness with which they were pursued. On social and political reform, the East German leadership watches developments under Gorbachev with caution and suspicion. It is not sure that Gorbachev will succeed and fears that its own position would be threatened by any experiments with Glasnost and Perestroika. However, Gorbachev's innovations have sparked interest, and perhaps envy, in East German intellectual circles. Soviet reforms are unlikely to threaten Honecker's position. But they may influence the leadership succession.

TABLE I

GDR: Estimated Non-Socialist Current Account 1986-90

US $ billions

	1986	1987	1988	1989	1990
Exports	8.5	9.4	10.7	12.2	13.5
Volume (1980 = 100)	101	102	104	106	109
Price (1980 = 100)	95	104	116	130	140
Imports	8.0	9.1	10.5	12.1	13.5
Volume (1980 = 100)	107	111	114	117	120
Price (1980 = 100)	97	106	119	135	146
Balance of Trade	0.5	0.3	0.2	0.1	0.0
Invisibles -					
Interest - inflow	0.4	0.4	0.5	0.6	0.7
outflow	1.0	0.9	1.0	1.2	1.3
net	-0.6	-0.5	-0.5	-0.6	-0.6
Cif on imports	-0.4	-0.5	-0.6	-0.6	-0.7
Transfers	0.5	0.5	0.5	0.5	0.5
Services	1.0	1.0	1.0	1.0	1.0
Total	0.5	0.5	0.4	0.3	0.2
Current Account	1.0	0.8	0.6	0.4	0.2
Gross Debt	14.2	13.8	13.5	13.3	13.2
Reserves	7.3	7.7	8.0	8.2	8.3
Net Debt	6.9	6.1	5.5	5.1	4.9

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CHINA: THE ECONOMY AND REFORM

1. This paper examines recent developments and prospects for the Chinese economy and speculates on the outlook for reform. The annex presents a detailed economic assessment.

Reform

2. Since 1978, Deng Xiaoping has introduced a number of market-oriented reforms. These were designed to facilitate an ambitious programme to modernise the economy; improve the quality of output; quadruple output by the year 2000; and to triple income per head. (Population growth was expected to be about 1.3% per annum over the same period, slower than the almost 2% per annum growth in the previous thirty years.) In agriculture, production has effectively been decollectivised and the land leased to family units. Agricultural prices have been raised substantially and some freed from state control, though a large part of output is still subject to state-set prices. (Those still under State control, notably grain, are kept artifically low to subsidise urban consumption.) Producers are no longer required to sell all their output to the State. Rural industry (small establishments, based in the countryside, producing a whole range of different goods, not just agricultural products) has also been encouraged.

3. Total agricultural output more than doubled between 1980 and 1985; and millions of people have been attracted to the rural industries, lured by higher wages and urged by the reduction of employment opportunities in the farm sector itself. Rural incomes tripled, funding a boom in housing construction and consumer durable spending. The price mechanism, where it has been allowed to work, has had the effect of redirecting production (perhaps to the discomfort of the authorities - see paragraph 8). Low grain prices caused farmers to switch to other products, including tobacco and meat, where prices (and profits) are higher because popular demand is greater.

4. Industrial reforms have been much less successful. From 1980 enterprise managers were given more autonomy, especially in their investment decisions. In principle, they were also given more responsibility. Investment was to be funded from retained profits or

borrowing from State controlled banks at positive real interest rates. A draft bankruptcy law was implemented experimentally in late 1986 and was to be backed up by an enterprise management law defining the rules of enterprise operation. Collective enterprises (small self-managed units) responded well. But the bigger State enterprises (70% of industry), many of which have been exempted from reform measures, have performed poorly.

5. This failure reflects a number of factors. Industrial reform is inherently more complex. Industry, in any case, has been prone to continued Party interference. Moreover, without price reform, which would give enterprises more freedom to set their own prices, it is difficult to impose an effective bankruptcy law. These difficulties, compounded by conservative opposition (concerned more by the pace and extent of reform than rooted objections to the concept itself), thwarted the enterprise management law. Without that, the bankruptcy law stalled and enterprises, untrammelled by the fear of bankruptcy, continued to over-invest. Though production increased significantly, productivity has been low and quality abysmal. Many enterprises have continued to make losses which were financed by subsidies from the State budget or further borrowing.

Macroeconomic performance 1981-85

6. The economy grew by about 10% per annum over the Sixth Five Year Plan (1981-85) before the authorities, concerned that demand was outstripping supply, took measures to restrain the economy in mid-1985. Cuts were imposed in State enterprise investment, which was clearly rising out of control and well beyond economically justifiable levels. Increased subsidies to enterprises also led to a rise in the State's budget deficit (1.5% of GNP). Wages in the industrial sector rose far higher than could be justified by productivity as industrial workers tried to emulate the wage gains of their rural brethren. Quality was a persistent problem; much output was virtually unsaleable. The surge in domestic demand spilled over into the balance of payments. Imports more than doubled between 1983 and 1985 while export revenues rose only slowly, due mainly to low oil prices. The current account, in surplus from 1980-84, went into deficit to the combined tune of $19 billion in 1985 and 1986. Reserves had to be run down and foreign borrowing increased to finance these deficits. Net debt rose to $17 billion. Though this is small by

international standards (only 6% of GNP) the authorities were nonetheless concerned at the rapid deterioration in their external position, and imposed import controls and devaluation in 1986.

Prospects

7. The Seventh Five Year Plan (1986-90) targets average growth of 7% per annum, slower than that achieved in the previous Plan but rapid nonetheless. Growth is to be better balanced to provide a more conducive environment for further reforms. These will concentrate on industrial modernisation; improved quality and productivity; more efficient enterprise management; and greater use of prices, interest rates and exchange rates to allocate resources. Government finances are to be improved by better control of expenditure and a more efficient tax system. State sector investment will be directed to improving transport and energy and raw materials extraction. (These sectors are bottlenecks, constraining future growth in the economy.) Exports are to be enhanced by greater product diversification, quality improvements and better marketing.

8. But progress is likely to prove difficult. First, there is significant conservative opposition both to the pace of reform and to any which would ultimately call state ownership into question or significantly dilute Party control. Even if this obstacle can be overcome, the leadership's own commitment may weaken if reform appears to conflict with political objectives. For example, agriculture remains inefficient - despite the considerable success so far - not least because it is still dominated by small family units. Better performance could be achieved by bigger units and by investment programmes to maintain existing facilities and to improve irrigation, fertilisation and mechanisation. But farmers, allowed only 15 year leases, and uncertain of government agricultural policy, are reluctant to undertake investment which will not yield benefits for some years.

9. For their part, the authorities are reluctant to consider substantially longer term leases for fear it may jeopardise the notion of State ownership of means of production. And large, privately-run units smack too much of capitalism. Many in the leadership also appear to resent the increase in peasant income (relative to industrial workers)

and the associated housing and consumption booms. Moreover, the leadership attach great weight to food self-sufficiency, but still conceive it in terms of self-sufficiency in grain. Experience of the last six years, however, suggests that consumers prefer a more varied diet. Thus, there is a conflict between State objectives and consumer and producer preferences. The State's reluctance to increase those agricultural prices under its control (the authorities want to maintain urban consumers' subsidies) will probably imply that agricultural output will rise less fast over the future. The more the State imposes its view, the less effective reform will be.

10. On industrial reform, the conservatives have delayed the Law on State Enterprise Management and, as a result, frustrated the discipline that the Bankruptcy Law was intended to impose. With enterprises exploiting their freedom to invest, and with the State having to pick up the tab for substantial enterprise losses, the authorities had the worst of both worlds. Confronted with overheating in the economy, they rapidly fell back on rigid central control. This is a key problem for all centrally planned economies implementing market oriented reforms. When given greater autonomy without effective accountability, enterprises try to reach their output targets by extra investment, regardless of cost or efficiency. Investment is, in effect, out of control. Without the sanction of bankruptcy (because of conceptual problems with bankruptcy reform and because the government is fearful of the unemployment consequences) and strict payments by results (for fear of wide and divisive wage differentials emerging) the only perceived solution is for the State to step back in. The inevitable consequence is a stuttering, stop-go approach to reform.

11. This suggests there are considerable obstacles to the Plan's growth targets. Efficiency, product quality and consumer living standards may not improve as much as the authorities hope. As regards the hard currency balance of payments, export revenues are likely to be depressed by low commodity prices (oil and coal) and protectionism. Our illustrative projections suggest that, even if import growth is kept low, the current account would still remain in deficit by a cumulative $45 billion over 1986-90. Some of this may be financed by direct investment by foreign companies, which the authorities hope to encourage by the Open

door policy and joint ventures. So far neither of these developments (nor the earlier Special Economic Zones) have been particularly successful. Foreign investment has slowed over the past three years, in part because of the still considerable restrictions imposed on foreign companies.

12. But the bulk of the deficit will need to be financed by increased borrowing. Net debt could be around $40 billion by 1990. Providing the authorities reach their growth targets this would still only be 10-15% of GDP. Provided also that export and, importantly, quality targets are met, debt service will be manageable. (This judgement needs to be qualified. Though little problem with debt service over the rest of the decade is expected, the borrowing undertaken during that time will start to become due for repayment in the following decade. Debt service could be more of a problem then.) The more growth and quality improvements fall below target, however, the less favourable export performance is likely to be and the greater the debt service burden will become. The Chinese are cautious in their management of hard currency borrowing and may baulk at such a prospect. In that event, they may have to consider even slower import growth which, in turn, would retard aggregate economic growth even more. (Preliminary trade data for the first few months of this year suggest that the authorities may be adopting such a restrictive stance, at least in the short term.)

Conclusions

13. The authorities have yet to face up to the central dilemma for any centrally planned economy. The freer and more decentralised the economy becomes, the more diluted is the power of the centre and the greater the scope for conflict between preferences of the populace and the authorities. It is doubtful that economic reform can proceed without political and social reform (Gorbachev has encountered, and is tackling, the same problem). In the final analysis, this may be the real brake on reform. The widespread and public debate on relaxing controls in social and political areas during 1986 culminated in the student riots (probably because student expectations were racing ahead of what the authorities contemplated) at the turn of the year.

14. The riots provoked a sharp conservative reaction and Hu Yaobang, General Secretary of the Party and a champion of political reforms was forced to resign (though, in fact, the riots were probably only a catalyst in his going). Deng (who remains strongly committed to reform) and Zhao have tried to protect the core programme of economic reforms from the conservative drive against "Bourgeois Liberalism", and have argued that its future is not in question. Indeed, both have recently returned to the offensive and Zhao has indicated that political reforms will be tabled at the Party Congress in the autumn. But recent experience confirms that, at best, both political and economic reform will be a fairly slow process, and that leadership manoeuvring in the run up to Deng's departure will be a major complication.

15. There is scope for continued fairly rapid growth of the Chinese economy, whether or not progress is made on reform. (China can go on producing virtually unsaleable goods in increasing volumes.) But the quality of that growth, and the modernisation and improved living standards objectives of the authorities, will be crucially dependent on the success of reform. Developments in recent years underline the tendency to fall back on strict central control at the first substantial signs of difficulty. If the authorities' commitment to reform continues to falter, or there is continued significant conservative opposition to the pace and extent of reform, then the important qualitative features of the Plan targets will begin to look over-optimistic. Failure to achieve these might be construed as a failure of reform itself. This would play into the hands of the critics and threaten the progress of the reform programme of Deng Xiaoping and any like-minded successor. But it is probably only the pace and scope of future reform that is in question; even the conservative opposition is mindful of the long bleak experiences before 1978 and there is unlikely to be a reversion to those bad old days.

CHINA: THE ECONOMY AND REFORM

ANNEX: DETAILED ECONOMIC ASSESSMENT

1. A number of major economic reforms have been introduced in China since 1978, to facilitate the long-term aim of quadrupling 1980 levels of industrial and agricultural production by the year 2000. Per capita incomes are targetted almost to triple by the end of the century. But conservative opposition may now be threatening the pace of change.

Overview

2. When Deng Xiaoping took over from Hua Guofeng in 1978, the economy was in poor shape and lacking direction. The need for a stimulus was widely recognised. Initial reforms were introduced in 1979 (agriculture) and 1980 (industry); with further measures being adopted since, particularly in 1984 and 1985. Basically, the reforms involve a decentralisation of control and greater individual responsibility; improved incentives; and use of indirect market controls to guide the economy. As well as agriculture and industry, they cover foreign trade and the encouragement of inwards direct investment.

3. Dramatic improvement in the performance of the rural sector has not been matched by industry. Strong growth in domestic demand, for both investment and consumer goods, caused a surge in imports and a deterioration in the current account. A broadening of the debate on reform and liberalisation, culminating in the student protests at the end of last year, went further than the authorities were prepared to accept. A conservative backlash forced the resignation in January of Hu Yaobang, General Secretary of the Party and, until then, reckoned to be Deng's eventual successor. Although the questionmark put over the future of the reform programme has since faded, certain measures which would probably have been introduced this year - particularly on prices and enterprise autonomy - have been delayed.

Progress so far

4. About 75% of China's workforce of 500 million is engaged in the rural sector, although it counts for only 40% of national income. Poor productivity performance partly reflects low investment: since 1950 agriculture has received only 7-10% of total investment. The bold reform measures which Deng introduced in 1979 have, however, revolutionised the rural economy. The so-called "production responsibility system" effectively decollectivised agriculture, returning it to family units. Official prices were raised by 20-25% and above-quota production was allowed to be sold on free markets. The establishment of rural industries* was encouraged. In 1984 the system was extended to all state farms and, in 1985, mandatory State purchases, whereby farmers had to sell a certain amount of output to the State, were abolished. In some cases they were replaced by obligatory contracts which some Party officials have attempted to run as if they were mandatory purchases. It is thus not clear to what extent all prices have been liberalised in practice. Nevertheless, the measures bore fruit rapidly. By 1986 total agricultural output had more than doubled compared with 1978. Grain production, at 391 million tonnes, was almost 30% up despite a 10% fall in acreage. Millions of people have been attracted to rural industry by the prospect of comparatively high incomes, and perhaps the need to seek employment as farm production and employment was rationalised. Rural industry's output increased sixfold over the same period to account for some 10% of total industrial output.

TABLE 1 : AGRICULTURAL PRODUCTION % change	1980	1981	1982	1983	1984	1985	1986
Total	3.9	6.6	11.1	9.6	17.3	14.5	4.4
Farming	-8.5	5.9	10.3	8.2	9.7	-1.8	
Livestock	7.0	6.0	13.1	3.9	13.5	17.1	
Forestry, fishing	10.8	4.5	9.4	9.9	16.8	10.3	
Other	15.8	7.6	23.4	11.2	30.2	19.0	
Rural industry	21.3	12.1	9.4	23.7	53.7	67.5	
Grain production, mn tonnes	321	325	353	387	407	379	391

* Rural industries are non-State-sector industries based in rural areas. They do not necessarily have any connection with agricultural products.

5. The industrial sector has, not surprisingly, proved far harder to tackle. Initial measures were introduced in 1980 to give enterprise managers greater autonomy. A complicated set of taxes on profits replaced the automatic handing over to the State of surplus funds; and State funding of investment was replaced by bank lending or self-financing. Investment in new machinery was encouraged by allowing enterprises to write off a larger proportion of machinery costs against taxation each year. In 1986 a bankruptcy law was drafted and introduced, experimentally, in certain areas. The collective sector, which now accounts for about one-third of industrial production (excluding rural industries), appears to have responded well. But much of the State sector* (including the defence and chemical industries) has been largely exempted from the reforms. Where they have been implemented, the reforms have become bogged down by the complexity of the system and by Party bureaucracy. Although output has continued to grow strongly, particularly since 1984, much of it is still inefficiently produced and is unsaleable because of poor (and in some cases deteriorating) quality. A law on enterprise management, defining more closely the responsibilities of management in the hopes of preventing undue interference by local Party bureaucrats, was expected in March of this year. The law was opposed by conservative elements; and would have been virtually unworkable in the absence of major reforms to the pricing system. But price reforms are not yet in sight, and the draft enterprise law was blocked.

TABLE 2 : INDUSTRIAL PRODUCTION % change	1980	1981	1982	1983	1984	1985
Total	8.8	4.2	7.7	10.5	14.0	18.0
o/w state owned	5.6	2.5	7.1	9.2	9.1	12.9
o/w collective	18.8	9.4	9.5	13.6	29.8	30.9
% state owned in total	79.5	78.3	77.8	76.9	73.6	70.4
% collective in total	20.0	21.0	21.4	22.0	25.0	27.7

* The State sector tends to include large enterprises, normally engaged in heavy industry, and both owned and managed directly by the State. Collectives are smaller, semi-independent, self-managed units.

SECRET

Recent developments

6. During the Sixth Five Year Plan (1981-85), the economy grew at nearly 10% per annum. By the end of the period, the authorities had become aware that the economy was overheating, resulting in imbalanced growth and an unsustainable external position. Measures were taken to reduce growth rates, which decelerated from 13.5% in 1984 to an estimated 9% last year. The targetted average annual growth rate for the current FYP is 7.5%.

TABLE 3 : Main indicators	1980	1981	1982	1983	1984	1985	1986	1987 Plan
% change								
Industry	8.8	4.1	7.7	10.5	14.0	18.0	9.2	7.0
Agriculture	3.9	6.6	11.1	9.6	17.6	14.2	4.4	4.0
National Income	6.1	4.9	8.3	9.8	13.5	12.3	9.0	7.5
Per capita GDP: 1980=100	100	104	111	120	135	150	162	172
Oil production, mn tonnes	106	101	102	106	115	125	130	130

7. Investment has proved one of the most difficult areas to control (as it always has been). In 1984 the industry reforms gave enterprises far more discretion on investment decisions; but forced them to finance investment from retained profits or by bank loans bearing positive real interest rates rather than by transfers from the State budget. The interest rate structure was made more flexible in order to try to curb excessive growth in investment, particularly in the non-productive sphere. However, the bankruptcy law is not yet effective (it is contingent on the blocked enterprise management law) and enterprises which overborrow do not face the sanction of bankruptcy. They either borrow additional funds from the banks, or receive State transfers or subsidies to cover losses. One consequence of this mixture of central control and free market mechanisms has been the failure of either to exert sufficient control on investment. In addition, the sharp rise in private incomes has led to a boom in house building (non-productive investment).

8. The banking system, like other sectors of the economy, is having to learn how to operate in a new environment. There is a lack of expertise in loan appraisal; and many enterprises still appear to treat bank loans as non-repayable transfers. Bank lending to enterprises and individuals rose 35% in 1984, slowing to 22% in 1985 when ceilings were imposed on new lending by the specialised credit banks. But while investment (including stockbuilding) grew from 31% of GNP in 1983 to 38.5% in 1985, domestic savings rose by only 1.5% to 34%.* The balance had to be financed by foreign borrowing. The growth of investment slowed in 1986; but bank lending accelerated again with an increase in enterprise demand for credit to cover losses arising from the slower growth of the economy.

9. In March this year, Finance Minister Wang Bingqian ordered a reduction in State sector investment - in effect overriding recent measures decentralising investment decisions, at least as far as the State sector was concerned. But the surge of investment by the State sector was, in any case, difficult to justify on economic grounds. Some enterprises, unrestricted by inhibitions of bankruptcy, were looking for growth at any cost.

TABLE 4 : INVESTMENT	1980	1981	1982	1983	1984	1985
(i) as % of GDP						
State sector	17.8	14.9	17.4	17.7	18.5	21.6
o/w bank leding		2.0	2.8	2.5	2.9	4.8
Collective units)	8.8	7.6	3.6	2.9	3.7	4.2
Construction by households)			3.7	4.9	6.4	6.9
Stockbuilding as % GDP	6.5	7.3	5.5	5.5	4.9	5.9
TOTAL	33.1	29.9	30.3	30.9	33.4	38.5
Gross domestic savings		30.1	32.3	32.4	34.1	33.9
(ii) % increase						
State sector	6.7	-10.5	26.5	12.7	24.5	41.8
o/w bank leding			50.5	-0.7	34.6	104.9
Collective units)	7.9	-6.5	1.5	-10.3	53.2	36.8
Construction by households)				44.2	56.7	30.8

* The level of both savings and investment is in fact one of the highest in the world; and may imply a poor level of return on much Chinese investment.

10. The reduction in State-sector investment should help to restrain the budget deficit. It rose from 0.5% of GDP in 1985 to around 1.5% in 1986, where it is expected to stay this year.* In the first 5 months of this year, China recorded a budget surplus - mainly because of success in reducing expenditure. But a deficit for the year as a whole is still expected. The increase in the deficit from the low 1984 level reflects reduced income from enterprises (effectively reduced taxation to encourage productive investment in new machinery), and increased enterprise subsidies (to cover increased losses in certain sectors) and food subsidies (retail prices for foodstuffs sold through State outlets have not matched the increases in prices paid to the farmers). The Finance Minister argued that the increased transfer of resources to enterprises was justified to the extent that it boosted longer-term growth rates. But China is clearly experiencing difficulties in the transition from central allocation to the use of indirect instruments to control investment.

11. The financial sector has undergone substantial reorganisation and reform since 1978. The People's Bank of China has hived off a number of its functions to more specialist units, such as the Agricultural Bank, the People's Construction Bank and the Industrial and Commercial Bank. There is a certain amount of competition in the foreign exchange market; but otherwise the various banks and their branches still exercise virtual monopoly within their own economic sectors and geographical regions, and there are still direct controls on credit expansion and interest rates. However, the development of more sophisticated financial services and types of investment is continuing.

<u>The Balance of Payments</u>

12. The current account was in surplus from 1980-84, allowing a build-up of reserves from $2.3 billion at end-1980 to $16.7 billion at end-1984. (Gross debt rose from $4.6 billion to $12.1 billion over the same period.) But the external account took the strain of too rapid investment growth and uneven development between the rural and the urban

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* The Chinese definition shows a lower budget deficit, since borrowing from abroad and from domestic non-banks is counted as revenue.

sectors. Imports surged from $18.7 billion in 1983 to $38.2 billion in 1985, turning the trade balance from a surplus of $2 billion to a deficit of $13.1 billion. A reduction in the volume of imports in 1986 and a surge in exports, both encouraged by a large devaluation in mid-year, narrowed the trade deficit in 1986. But, with a substantial deterioration in the terms of trade because of the oil price collapse - oil accounted for 20% of exports in 1985 - the deficit still reached $10.8 billion.

13. The overall current account was in deficit in 1985 and 1986 to the tune of $11.4 billion and $9.6 billion respectively. This forced a run-down of reserves and required substantial foreign borrowing. At the end of last year China had a net debt position of around $17 billion. Although this represents only some 6% of GNP, the rapid deterioration of China's external position has understandably been a cause for concern. It was thus not surprising that measures (devaluation and import controls) were taken last year to remedy the situation.

14. Direct foreign investment has not brought all the benefits which the authorities had hoped for. In part this is because of problems faced by foreign investors. These include bureaucratic controls, differences between central and provincial authorities, and difficulties in remitting profits because of foreign exchange shortages. The authorities have recently been at pains to make it clear that the "open door" policy, encouraging direct investment from abroad, has not in any way been affected by the political moves against so-called bourgeois liberalism. Nevertheless, the atmosphere of uncertainty following Hu Yaobang's dismissal and the current debtate over reforms has had an adverse effect on foreign investment.

15. Neither have the Special Economic Zones (SEZs) come up to expectations. The authorities had hoped that these would attract high-technology investments (eg from Japan) and so provide low-cost access to such technology. They were also intended to provide quick export gains. But in practice most interest has been shown by Hong Kong entrepreneurs who have invested in the services sector. There has been

strong demand for these services; but the SEZs have become net importers instead of generating exports and introducing new technologies to the economy.

CURRENT ACCOUNT, $ bns

	1980	1981	1982	1983	1984	1985	1986
EXPORTS	18.1	21.5	21.1	20.7	23.9	25.1	28.1
Volume	100	112	116	118	141	157	176
IMPORTS	17.9	19.8	16.9	18.7	23.9	38.2	38.8
Volume	100	119	106	121	160	251	219
TRADE BALANCE	0.2	1.6	4.2	2.0	0.0	-13.1	-10.7
Cif payments	-1.6	-1.8	-1.5	-1.7	-2.2	-2.1	-2.1
Net interest	-0.1	-0.1	0.4	1.2	1.5	0.5	-0.2
Transfers	0.6	0.6	0.5	0.5	0.4	0.2	0.5
Other: receipts	1.4	1.8	2.1	2.1	2.1	3.2	3.5
: payments	0.0	-0.1	0.1	0.4	0.5	-0.0	-0.4
CURRENT ACCOUNT	0.5	2.0	5.8	4.5	2.5	-11.4	-9.5
Direct investment	0.3	0.3	0.4	0.6	1.2	1.8	3.0
External debt	4.6	6.4	6.7	9.6	12.1	19.9	27.2
Forex reserves, end period	2.3	4.8	11.1	14.5	16.7	11.9	10.5

Obstacles to future progress

(i) Agriculture

16. In the rural sector, land is now leased to the family production units; but for periods not exceeding 15 years (30 years for forestry). Moreover, farmers have been unsettled by changes in government policy on agriculture, and uncertainty regarding future policy. There is, therefore, little incentive for individuals to invest in long term projects - such as irrigation or certain types of machinery - where benefits may not accrue for several years. Even the maintenance of existing infrastructure appears to have suffered. The initial stimulus of higher prices produced higher increases in output from harder work and increased efficiency. But the high growth rates of the past eight years are unlikely to be maintained indefinitely without a higher level of infrastructural investment. The authorities are reluctant on ideological grounds to grant significantly longer leases on the land, since that would be to move away from State ownership of the means of production towards capitalist private ownership. The alternative is to revert to a certain degree of central control with State-funded projects, possibly

charging farmers for their services. But this will not tend to provide an optimal allocation of investment funds, since regional and personal interests (not to say corruption) will become involved in investment decisions. Moreover, in the initial phases it would probably involve greater foreign borrowing by the government to fund projects. At present, the low level of infrastructural investment is being used by conservative elements as an argument in favour of a return to more central control, on the grounds that individual enterprises do not take into account the best interests of the community as a whole.

17. In other ways, problems arising from the very success of the rural reforms has given rise to increased opposition from the conservative Party bureaucracy. With the substantial rise in rural incomes (from Y134 per capita in 1978 to Y398 in 1985) consumption has risen sharply (from Y116 to Y317 over the same period). This has funded a boom in rural house building and in consumption of consumer durables. The new housing has not only made heavy demands on raw materials - with knock-on effects on higher prices and shortages for construction in other sectors of the economy - it has reduced the area of arable land available for crops. The dramatic growth in rural industries has had similar consequences. These developments are of great concern to the more conservative elements of the Party and government who dislike a reduction in State control and investment (especially in the face of what is sometimes deemed to be ostentatious private housing investment) and who believe that China needs every available acre of arable land for cultivation if it is to feed itself. (This belief has no doubt been strengthened by the recent upturn in birth rates and fears that the target ceiling of 1.2 billion population by the end of the century may be passed.)

18. The desire for self-sufficiency in food production is deep rooted. Some believe that the Party came into power to feed the people; and that if it cannot do so its legitimacy will be questioned. Feeding the people, moreover, is for some synonomous with producing more grain. This has given rise to a further problem. The market forces in agriculture are, apparently, working efficiently. Since grain commands a relatively low price, some farmers are switching to more profitable crops such as fruits and tobacco, and to livestock. Grain production (including rice) fell from its 1984 record level of 407 million tonnes to 379 million

tonnes in 1985 and 391 million last year as the trend reduction in acreage continued (yields were broadly unchanged, despite poor weather). Despite the fact that (i) this was still well above pre-reform levels of around 300 million tonnes; (ii) China has since 1985 been a net exporter of grain; (iii) consumer preference is changing, the authorities have come to regard output of at least 400 million tonnes as essential. There has been increased demand for grain as feed for the growing livestock herd; but the authorities have kept the price of grain artifically low so that food subsidies for urban dwellers do not put further strain on the budget.

19. The more conservative elements are now arguing that the State should intervene to make sure that farmers do not switch out of grain production and that production is kept high (they blithely assume that central control can achieve these aims). The 1987 harvest could be critical in this respect. If production is below 400 million tonnes - latest Western estimates are for around 390 million tonnes, similar to the 1986 level - then the conservatives may succeed in reimposing a measure of central control on grain production. Any consequent reductions in output might then be cited as reasons demanding even tighter central control. It is not clear how strong this possibility is; but the battle over the pace and direction of reforms could well be fought in the paddy fields as much as in industry. Post 1978, the objective of economic self-sufficiency was to have been dropped in favour of greater reliance on foreign trade and economic relations; but there still appear to be many who have not accepted this.

(ii) Industry

20. Economic development was, and still is, seen as dependent primarily on industry, and in particular heavy industry (the "commanding heights" of the economy - if only because they are easier for the State to control). But the pace of change in industry has been slower than in the countryside. This is not surprising, given the greater complexity of industrial production, the larger size of production units and, consequently, the more numerous layers of bureaucracy and Party involvement. If urban wages had been linked to productivity - as in theory they should be under the reforms - then they would have risen far more slowly than rural incomes since 1978. Because of relative price

movements, some of the urban population might even have seen a fall in living standards. Enterprises allowed growth in urban wages to rise far faster than productivity increases (by 16 percentage points in 1986), and so keep pace with - and in 1986 even outpace - rural incomes.* In the 12 months to May this year, urban wages were still growing rapidly (+15%).

21. Price reforms and a reduction of state subsidies (which at present account for a quarter of total government expenditure) will be necessary if there is to be much progress in the industrial sector. But many enterprises have, inevitably, become dependent on subsidies and price distortions, and would go bankrupt if they were removed. (A gradual phasing in of price reforms would be extremely difficult to implement, although subsidies could be phased out.) Moreover, the period of adjustment would almost certainly be characterised by an increase in the rate of inflation, and perhaps some speculative profiteering. In addition, China would face either increased imports (as inefficient domestic industries became unable to compete); devaluation to keep inefficient industries competitive (but with consequent implications for inflation and further price adjustments); or protection of certain domestic industries until they could compete internationally. The Chinese economy has already encountered some of these phenomena. But the position of the reformers is probably not strong enough at present to cope with the consequences of more rapid adjustment, even if they wanted to.

22. Given the state of development of the Chinese economy, the State sector industries - primarily heavy industry - have an important contribution to make. China is still in need of much basic infrastructural development such as roads, railways and housing; and these will make demands on concrete, steel, heavy machinery, and so on. There are difficulties in introducing comprehensive reform measures into the heavy industries which produce these goods. They include a lack of expertise, problems with quality control and a basic reluctance by officials to see a reduction in their own power. Moreover, reforms would probably disrupt production, at least initially (performance would

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* In absolute terms, average urban wages are about twice as high as rural incomes.

improve in the medium to long term). Rapid growth in this sector therefore seems unlikely; and both heavy industry and the sectors which are most directly dependent on it will continue to be bottlenecks in the Chinese economy for some years to come. The transport sector in particular may constrain economic growth. For instance, while farmers and rural industrialists in areas near large population centres have a good market to hand, those in more distant provinces may have less incentive to increase production or seek innovations because of the difficulties in transporting their output to suitable markets.

23. It is not surprising that the collective sector with its smaller units has performed far better than the State sector. From 1980 to 1985, the collective sector increased its share of (urban) industrial output from 21% to 28%, growing by 30% in both 1984 and 1985. It may be that the future of the reforms in industry lies with this sector. On present trends - see table 2 - collective (and rural) industries will take an increasing large share of total industrial output, while the unreformed State sector dwindles in importance.

Prospects

24. The broad policy goals set out at the start of the 7th FYP were to maintain steady growth (but at a rate lower than in the 6th FYP when the economy was judged to be overheating); to ensure balanced growth so as to facilitate the continuation of economic reforms; and to implement reforms which will boost productivity and efficiency, and so improve living standards. The government planned to bring the state sector budget into balance by 1990 though better control of income and expenditure at both central and local levels, and by improvements to the tax system. State sector investment was targetted at bottlenecks in the economy, principally in the transport, energy and raw materials sectors. The authorities were to pursue reform of enterprise management and improvements in the market system - particularly in the development of indirect controls (prices, lower interest rates, the exchange rate, etc). Additionally, exports were to be promoted by diversification and by improvements in product quality and marketing. Unfortunately, it is not yet clear how these policies will be affected by the recent slow-down in the reform programme. The output targets which the authorities hope to attain are set out in the table.

PLAN TARGETS	Sixth FYP 1980-85	Seventh FYP 1986-90
	Growth in % per annum	
GNP	10.0	7.5
Industry (1) : heavy	9.7	7.5
: light	12.5	7.5
Energy	5.7	3.3
Agriculture	8.0	4.0
Rural industry (1)	26.2	11.6
Exports	5.9	8.1
Imports	20.6	6.1

(1) Rural industries are excluded from light and heavy industries in the 6th FYP, but included in the 7th FYP.

25. Data on the Chinese economy are only made available with a considerable time-lag, and only sparse data have yet been given for 1986. It is, therefore, difficult to be up to date, and to evaluate the effect of recent government policies (the Chinese authorities may suffer from the same problem).. Up to 1985, growth in the agricultural and collective sectors showed no sign of flagging. Agricultural growth slowed in 1986, although this was in part due to poor weather. But while it is of course true that growth cannot be maintained indefinitely without necessary investment and probably further reform measures, it is far from clear that the reserves for growth under the present system have yet been exhausted.

26. However, the path to continued growth is not without its problems. The rural housing boom should tail off; but the continued growth of rural industries will make demands on land which could, in time, compete with agricultural output. In a free market economy open to foreign trade this would not necessarily be a problem. If industrial production is more profitable than farming, then output can be exported to pay for food imports. If not, then the price of land and of inputs should curtail growth. This could conceivably happen in China if there is no reversion to a drive for self-sufficiency. But the authorities may in the end prove unwilling to relax their control over the direction of macroeconomic development to such an extent. In addition, the

authorities do not yet appear to have solved the question of how to promote sufficient investment in agriculture. As the existing slackness in the system is taken up, ideological rigidities will increasingly become a constraint on growth.

27. Energy shortages could also prove to be a constraint. While China has enormous reserves of coal, they are often located far from population centres. Exploitation would require substantial investment in transport, whether of the raw material or of electricity. The authorities would have faced the energy constraint whether or not reforms had been introduced; but the faster growth brought about by the reforms has made the question more urgent. Moreover, when faced with shortages the authorities' instinctive reaction will be to resort to central allocation of resources rather than rationing by price - energy costs are already subsidised - despite the greater long term efficiency of the latter.

28. There have occasionally been reversals to the process of reform. This has normally happened when officials, inexperienced with market control mechanisms, have taken fright at the full implications of their own decisions. A recent example of this has been in the cotton-producing and textile industries. Production of cotton had surged following the introduction of the reforms in 1978, to the extent that output exceeded demand. Prices were cut, but to a centrally- rather than a market-determined level, with the result that output fell to too low a level. Officials do not now want to increase prices again because of the effect this would have on the profitability of the textile industry. Some textile enterprises are already running at a loss. The policy response may now be to try to force the peasants to increase production, either by 'moral' coercion or by fixed quotas. To some extent, the authorities seem to be expecting the positive benefits of the market - making things work - without the uncomfortable side-effects - making it clear when things do not work. (Central controls do not make unprofitable enterprises become profitable; rather they obscure the question of whose inefficiency is being subsidised by whom.)

29. The authorities told the IMF in October that the deterioration in the trade balance could not be allowed to continue; and that measures to promote non-oil exports and contain import demand would, as far as possible, involve indirect policy instruments. However, it will not be easy to reduce the current account deficit quickly by these means. Non-oil exports performed very strongly in 1986 and competitiveness has been helped by pegging the exchange rate to the dollar since October last year. But China is already coming up against trade barriers, notably on textile exports. The target of 8% annual export growth in the 7th FYP will be difficult to attain. It would be possible to cut imports, but this is no longer easy to do without back-tracking on reform measures. The decision in March to cut back on State investment could have a big impact if implemented quickly and effectively: the surge in investment from 1984 was paralleled closely by the deterioration in the trade balance and the consequent rise in foreign borrowing. But cuts in investment are bound to feed through to longer-term growth prospects, which the authorities will be reluctant to sacrifice.

30. Preliminary figures for the first four months of this year show a trade deficit of only $1.6 billion, compared with $4.5 billion in the same period last year. Exports rose sharply, encouraged by government incentives; while imports were subject to tighter controls. (Imports of certain raw materials were cut substantially; but will have to be increased again once existing stocks are run down.) It is not clear how this affects the longer-term picture. There are indications that where exports (such as textiles) are subject to quotas, the full year's quota has been virtually exhausted already. And there is likely to be some relaxation on import controls. But the authorities may have decided that a reduction of the current account deficit is, at least in the short term, a more important priority than the import of modern machinery or liberalisation and rationalisation of the foreign trade sector. If this becomes a medium-term strategy, the medium-term outlook for the current account could be rather better than indicated in our illustrative balance of payments projection (see table below).

31. The authorities' medium term debt strategy is not clear. There are indications that they are prepared to let external debt continue increasing at a moderate rate, trusting that continued growth in the

economy will keep the debt service burden manageable. Chen Muhua, Chairman of the Central Bank, has recently talked of allowing the debt-service ratio to rise to 15-20%. Currently it is around 5% of exports of goods and services. Our illustrative balance of payments projection, assuming reasonable export performance* and only low import growth, illustrates that the current account deficit could remain wide for several years. Net debt of around $40 billion by 1990 would still be only 10-15% of GDP; but it would at least be a potential constraint on the economy. China would have to make sure that overseas investors and international bankers were given no cause for alarm - such as that following Hu's ouster and the strengthening of the conservatives' position earlier this year. Moreover, if debt continued growing at a similar rate, by the year 2000 net debt could be in the region of $100 billion. While this would not be unsustainable, it could become so if steps were not taken to reduce or eliminate the current account imbalance.

ILLUSTRATIVE CURRENT ACCOUNT PROJECTION, $ bns

	1986	1987	1988	1989	1990
EXPORTS	28.1	33.2	38.5	43.5	48.5
Volume	176	182	191	200	211
IMPORTS	38.8	42.2	47.6	51.8	55.7
Volume	219	209	213	217	221
TRADE BALANCE	-10.7	-9.1	-9.1	-8.3	-7.2
Cif payments	-2.1	-2.3	-2.6	-2.8	-3.1
Net interest	-0.2	-0.6	-1.1	-1.7	-2.3
Transfers	0.5	0.4	0.4	0.4	0.4
Other: receipts	3.5	3.5	3.7	3.9	4.1
: payments	-0.4	-0.3	-0.2	-0.2	-0.2
CURRENT ACCOUNT	-9.5	-8.4	-8.9	-8.8	-8.3
Direct investment	3.0	2.3	2.5	2.5	2.5
External debt	27.2	32.8	43.6	51.2	58.1
Forex reserves, end period	10.5	10.0	14.3	15.5	16.7

<u>Conclusions</u>

32. Since the resignation of Hu in January, and the denunciation of bourgeois liberalisation, Deng and Zhao have made great efforts to distinguish between economic reform on the one hand, and politieal or

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* Exports will be constrained by weak world prices for oil and by quota restrictions on textile exports.

cultural reform on the other. The former is to proceed with widespread support; the latter while still officially on the agenda for the forthcoming Party Congress are likely to be severely restricted. This distinction was no doubt aimed partly at potential foreign investors, to reassure them that investment was still a sound option. But it is not clear that the distinction can be worked out in practice for long. The authorities may at some stage have to choose between pursuing reform and development of the economy, and maintaining an authoritarian and centrally-controlled regime. Cohabitation may not be viable in the long term.

33. China's long term growth target is to quadruple 1980 levels of industrial and agricultural output by the year 2000. A World Bank study at the end of 1985 concluded that this objective was achievable "with prevailing levels of investment efficiency, if the investment/national income ratio of the early 1980s were maintained and reasonable improvements in energy and raw material use were achieved." The authorities seem unwilling to cut consumption growth; and in order to maintain investment levels it will prove necessary to continue foreign borrowing for some years to come. The international banking system is at present more than happy to provide project financing, and it is likely to be so for the next few years at least. But reliance on foreign financing may put certain constraints on the management of the economy. Deng and Zhao will continue to be faced with the need to take difficult decisions - between consumption and investment, self-reliance and the benefits of an open economy, central controls and the more efficient but less predictable free-market levers.

34. It is clear, particularly in the industrial sector, that the reform process will be painful and will not always throw up the expected or desired results first time. Deng and Zhao appear to be sufficiently committed to the reform process (and its goal of modernising the Chinese economy), to put up with a certain level of discomfort. China's post-war history gives ample evidence of the damage that can be wrought by traditional central planning of the economy, and although the reform process appears to have slowed since the beginning of this year, it has not stopped. But their position is not so strong nor so committed that measures can be pushed through and implemented quickly. It is expected that they will continue to proceed, if cautiously. The rate of growth in

the economy is likely to slow in the next few years (this is anticipated in the Plan), and there may be occasional setbacks. Much will depend on the willingness of the authorities and the Party bureaucracy at all levels to relinquish direct control for the good of the community as a whole.

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1351C

REFERENCE : B/0627

DATE : 23 July 1987

BLACK EDUCATION : A HISTORICAL PERSPECTIVE

Other than early church and missionary endeavour there was no formal education programme for black pupils prior to 1904.

From about 1904 to 1954 control of black education was in the hands of the churches and the provincial education departments : a period of divided control. In most cases special sections in these provincial departments were responsible for "Native" education while specific separate syllabuses and textbooks were used in black schools.

With the promulgation of the Bantu Education Act in 1953, education for Blacks came under control of the Central Government. This followed the report of the Eiselen Commission of Inquiry into Native Education (1949 - 1951).

In a major statement in the Senate on 7 June 1954, the Minister responsible for Black Education at that time, Dr H F Verwoerd, announced a policy for Black Education under the heading : "Bantu Education : Policy for the Immediate Future".

Critics still quote Dr Verwoerd's speech in isolation as being the "ideology" on which education for Blacks is based today. The radically changed circumstances, priorities and needs, developments and adaptations over the three decades since Dr Verwoerd's policy speech are totally disregarded.

In order to see the speech of Dr Verwoerd in the right perspective, it is especially necessary to take the following aspects into account :

* The statement has to be seen and read as a whole.

* The heading of the speech was "Bantu Education : Policy for the Immediate Future". It must be realized that Dr Verwoerd made this speech 32 years ago under totally different circumstances from those prevailing today.

* The word "immediate" in the heading must be noted. Dr Verwoerd's statement actually encompassed an undertaking to provide facilities so that every black child would get the opportunity to attend school for at least 4 years as part of a programme to wipe out illiteracy as soon as possible.

* Dr Verwoerd said that "in the establishment of new schools the Department will be guided by the needs of each community" and "local authorities will have the fullest opportunity to bring their needs to the attention of the authorities concerned".

Since 1954 other Ministers responsible for the education of Blacks have refuted the negative interpretations attached to the speech. The Prime Minister and the State President have affirmed the Government's high priority and commitment towards equal education opportunities for all population groups on several occasions.

In a statement released on 29 December 1976 Mr M C Botha, Minister of the then Department of Bantu Education said :

"From time to time a measure of public concern about the quality of Black Education has been noted. First it needs to be said that the department concerned cherishes the same basic goals of education as those of any other education department, namely that its duty is to make the most of the potential of the children entrusted to its care, both as individuals and as members of society".

A Sunday newspaper published an interview held with Mr W A Cruywagen on 19 February 1978. Questioned about Dr Verwoerd's statement he said that the statement was made more than a quarter of a century ago, that Dr Verwoerd intended it for that period, and that Dr Verwoerd warned that people must not be trained for job opportunities which did not exist. The Minister added that Dr Verwoerd's statement was justified at that time because labour patterns were different then. He added that Dr Verwoerd's intentions were honourable. In the meantime (he said) labour patterns and other conditions have changed drastically.

The following statement by the Prime Minister was reported in "Post" of 26 January 1978. "I also intend reviewing the Bantu Education Act of 1953 and changing its name. The new Department will also proceed with changes and adaptation of the existing system of education for black people and the introduction of numerous improvements of which more details will be given in due course".

On 16 May 1979 Mr T N H Janson, then Minister of Education and Training clearly stated in parliament that the Government aimed to have equal education facilities for Black and White in South Africa and that it wanted to introduce free and compulsory education for all black children as soon as possible. On 12 June 1979 he also said the following in Parliament : "It remains an important standpoint of the Government that every child who would like to attend school on a voluntary basis should have the opportunity to do so. In this connection I want to say that a large part of the public seems to be under the misunderstanding that the remark made by Dr Verwoerd caused a ceiling to be imposed on the level to which the black child is able to progress in this country. I want to emphasize that reading and re-reading the statement of Dr Verwoerd makes it abundantly clear that no ceiling was imposed or envisaged on the development of black children".

On 23 May 1980 Dr F Hartzenberg, then Minister of Education and Training,

reiterated in the House of Assembly that "the Government intends to provide black people with the best possible education". He added : "We are aiming at an absolutely equal standard of education for everyone".

On 5 May 1980 the Prime Minister, Mr P W Botha, said the following : "The Government pledges itself to the goal of equal education for all population groups but emphasizes that the historical backlog cannot be overcome overnight.

My Government and I are prepared to accept a programme whereby the goal of equality in education for all population groups can be attained as soon as possible within South Africa's economic means".

On the occasion of the opening of Parliament in 1985, the State President Mr P W Botha in his opening speech said :

"Education is the key to a better life for all. The Government therefore places a high premium on improved provision of education with a view to attaining the ideal of equal educational opportunities for all communities in South Africa. The new central Department of National Education is responsible for a joint general policy and joint standards for the education of all population groups. In the black communities new structures have been created to bring about better communication between pupils, teachers, parents, community leaders and the educational authorities".

In 1985 the Minister for Education and Development Aid Dr G van N Viljoen announced a policy statement for Education for black people, in which he said :

"There are five vitally important statements of government policy which have already intimately affected education and which will continue to influence its future development. These are :

* The Government's White Paper on the Wiehahn Report (1980) which gave an important impetus to the provision of technical education.

* The Education and Training Act, (Act 90 of 1979), which extended the scope and content of education and articulated policy clearly.

* The Government's White Paper on the Provision of Education (1983) which followed on the De Lange Report and which can be regarded as a blueprint for educational reform in South Africa.

* The Government's firm commitment to provide equal education opportunities for all inhabitants of the country.

* The National Policy for General Education Affairs Act (Act 76 of 1984) and the creation of the new Ministry and Department of National Education which determine and monitor national education policy for all departments of education in the following vital areas :

  - norms and standards for the financing of education for all population groups
  - salaries and conditions of service of staff
  - the professional registration of teachers
  - norms and standards for syllabuses and examinations and the certification of qualifications.

It is noteworthy that the new structures set up for consultation on general education policy involve all departments of education as well as the various professional organisations.

The creation of a Ministry and a Department of National Education which determine national education policy and which serve all the executive departments of education, fulfil the strongly expressed need for one co-ordinating Ministry and department to determine general education policy on a national level.

The facets outlined above are but a few indicators of the dynamic and ongoing nature of educational development, and represent important milestones in the development of education policy. Unfortunately, the speech made by Dr Verwoerd in the Senate in 1953 is still quoted by critics (invariably out of context) as being the 'ideology' on which education for black people is based today, with a total disregard for radically changed circumstances, priorities and needs and for major and far-reaching policy developments and adaptations over the past three decades".

In his opening speech of Parliament on 31 January 1986 the State President Mr P W Botha again repeated the Government's commitment to equal provision of education for all population groups. He said :

"I should like today to repeat the Government's commitment to equal provision of education for all population groups. The process of reform, aimed at achieving this, is in full progress in the education field.

One of the most important steps was the establishment of a single education department for general policy for all communities. Through the mediation of this department, after comprehensive consultation, the overall guidelines for the provision of education, are being laid down. These include the equitable allocation of resources to the various communities.

Real progress has also been made in the quality of education for black communities".

The development of education for black people since 1954 and the progress with all facets of education reflect the Government's commitment towards the provision of equal education opportunities for all population groups.

In order to gain perspective on developments since 1954 it is necessary to briefly look at some aspects that prevailed prior to 1954.

* The period before 1953 was a period of divided control since education for Blacks was in the hands of various mission societies, while the four provincial education departments had a completely separate section for "native education". Different syllabuses and different textbooks were used in schools for Blacks. The per capita expenditure also differed considerably with only R13 per annum being spent on every black child. This formed the basis for that Department's budget for nearly 17 years.

* The education of Blacks before 1953 was limited to the "elite" or the select few. This is underscored by the fact that when this Department took over there were only 675 pupils in Matric out of a school population of 800 000. Only 19 percent of these pupils passed. Furthermore the incidence of illiteracy among this generation was extremely high.

* The Native Education Commission of 1949 - 1951 raised the following main points of criticism against the system prevalent in 1951 :

  a. "Native education is not an integral part of a socio-economic development plan.

  b. In itself Native education does not possess any organic unity but is divided into a perplexing number of divergent activities and is not planned.

  c. Native education is managed without the active participation of the native nation, neither on a local nor on a wider basis.

  d. The financing of Native education takes place in a manner that has a minimum of educational influence on the native community, making planning virtually impossible".

Since the implementation of the Bantu Education Act in 1953 the education of Blacks has increasingly been geared to their personal, social and economic needs and has consistently contributed to the raising of the social and economic standards of the black communities it serves.

One of the primary aims in the early years of control by Central Government was to bring education to the masses, i e to wipe out illiteracy : Sub A to Standard 2. This aim more or less having been achieved by 1959, the emphasis shifted to higher primary education in the next eight years. From 1967 onwards attention focussed on secondary education. The dimensions of technical and adult education came more into the limelight in 1972 and 1975 respectively.

Since 1960 university facilities for Blacks have also been extended considerably.

It must be borne in mind that teacher training, for obvious reasons, was an important element of the education effort during all these years.

In 1978 the name of the Department of Bantu Education was changed to the Department of Education and Training.

The Education and Training Act (Act No 90 of 1979) completely replaced the 'old' Bantu Education Act of 1953.

Amongst other things, this Act makes provision for :

1. the introduction of compulsory education
2. free tuition, including free school books
3. the mother-tongue as medium of instruction up to and including Standard two (fourth year) provided that the wishes of the parents shall be taken into consideration in the application of this principle after Standard two, and also in the choice of one of the two official languages (Afrikaans or English) as medium of instruction.

The regulations based on this Act ensure that the conditions of service of black teachers are identical to those of teachers of other population groups.

The expansion of education facilities under State Control has resulted in a system which, at present, includes not only pre-primary, primary and secondary education, but also trade and vocational training, higher technical and commercial education, adult education, advanced technical (technikon) and university education.

The total number of black pupils has grown from 800 000 (8 percent of the black population) in 1953 to approximately 6,2 million (24 percent of the black population) in Southern Africa in 1985 while the number of full-time matriculants increased from 750 in 1955 to more than 91 000 in 1985.

Recent developments include the implementation of a bridging period for five and six year-olds to enable children to adapt themselves more readily to formal education while steps are moreover being planned to afford rural black children greater opportunities for continuing their education locally.

A new system has been designed for career education which is specifically directed at the technical aspect.

The application of technology in education e g computer, radio, TV, inter-active video aimed at the development of pupils in the curricular as well as the extra curricular fields is an important recent development.

In the final instance note has to be taken of the dramatic increase in the budget of the Department of Education and Training. Highlights of which are the following :

The amount voted for Education and Training in 1972/73 was R32 958 000.

The amount voted for 1986/87 is almost thirty-four times the amount for 1972/73 - an increase of 3 353 percent.

Since 1978 the annual percentage increase in the budget for Education and Training is higher than for all government departments combined.

The above information refutes any negative interpretation that might have been attached to the speech of Dr Verwoerd. In fact, it reaffirms the Government's positive programme with the provision of equal education and opportunities for all population groups.

SECRET *inglés*

REFERENCE : B/0618

DATE : 23 July 1987

ANC/SACP : STRATEGY WITH REGARD TO NEGOTIATIONS AND TALKS

1. Certain media reports (local and international) created the impression, especially after Oliver TAMBO's (ANC President) New Year's message on 8 January 1987, that the ANC has adopted a moderate attitude towards negotiations. However, such interpretation is not in accordance with the organisation's strategy.

2. ANC strategy with regard to negotiations/dialogue has two sides. On the one hand the organisation is attempting, by means of talks/dialogue with groups within South Africa, to alienate the Government from its power base, gain legitimacy and obtain a position of influence in important organisations/institutions in order to dictate to such groups/persons ways in which to oppose the Government and reform initiatives. On the other hand the ANC maintains that it will only negotiate about the "handing over" of power to the ANC after the total destruction of "apartheid".

3. According to ANC guidelines distributed during 1986, the organisation plans to "set the pace" with regard to the question of negotiations : "We are in any case already being asked to do this by the imperialist countries, to give the lead. Let us do this and do it in such a way that it further worsens the position in the Pretoria regime". In his speech TAMBO stated emphatically with regard to negotiations with the South African government :

"No negotiations are possible until all those concerned accepted the need to create and build a democratic South Africa".

4. It should be borne in mind that the ANC maintains : "Even if the ANC sat down for talks they would not abandon the armed struggle". (TAMBO : 4 February 1986, in Harare). In this regard the SACP Politburo declared in a document distributed in May 1986 : "We must remember that virtually all revolutionary struggles in the post war period (Algeria, Vietnam, Angola, Mozambique, etc) reached their final climax at the negotiating table. But the question of negotiation usually arises at a time of a major revolutionary climax involving the transfer of power, based on the massive strength of the people's offensive. At such a stage we have to judge what interim compromises are historically justified and take the people with us".

5. *Recent developments concerning SACP pressure on the ANC in favour of negotiations*

a. During a Radio Four broadcast in Britain on 4 April 1987 it was reported that the SACP is exerting pressure on the ANC to adopt a pragmatic standpoint with regard to talks with the South African government.

b. The Soviet Union had reportedly proposed that the ANC should consider holding talks and that the SACP be employed as a catalyzer in this regard. *Comment* : Although the SACP apparently accepted the possibility of an eventual negotiation process between the ANC and the South African government as a premise, the Party stressed that talks should be used to reach the revolutionary aim of assuming power. SACP leaders recently pointed out that the ANC cannot accept an end to violence as a prerequisite for talks with the South African government.

During the SACP's 65th anniversary meeting in London at the end of July 1986 SLOVO said that "the question of an advance to socialism after the national liberation will

<u>perhaps</u> be settled in debate rather than on the streets", and gave the understanding that the ANC would talk to any person/party. Several journalists have since omitted the word "perhaps" in their reporting (ie the option of further violence) and have presented SLOVO's offer of talks between internal groups and the ANC as "moderate", without the unexpressed, underlying condition of "the transfer of power" during a process of negotiation.

Although the dialogue strategy of the ANC and the SACP displays a shift in accent, as a result of harmful publicity, it can be expected that such a shift (according to the SACP's perception) will depend on the following :

- An estimate of the equilibrium between the ANC and the South African government (such as the extent of the ANC's internal power base) and the possibility of obtaining the strategic initiative by means of talks.

- Evaluation of the credibility risk especially with regard to the radical youth in the case of a "moderate" step by the ANC.

- Assurance that the above will not create uncertainty (among members of the ANC and SACP).

- Progress with the ANC's intention to organise "a conference of democratic progressive forces" ie the ANC, the UDF, the Congress of SA Trade Unions (COSATU) and the Institute for a Democratic Alternative for SA (IDASA).

DATE OF INFORMATION : May 1987
RELIABILITY GRADING : 2

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135/C

REFERENCE : B/ 0598

DATE : 25 June 1987

UDF : IDENTIFICATION WITH THE ANC

1. Besides the recent statement concerning the ANC/United Democratic Front (UDF) initiative in connection with the founding of the Front, the UDF has associated more openly with the ANC since the end of 1986 as is apparent from several statements by UDF leaders. Mutual support and liaison between the two organisations is indicative of increased ANC influence in the UDF. At regional level increased liaison occurred between UDF leaders, UDF orientated groups and reputed ANC members since the beginning of 1987.

2. Several prominent UDF leaders who have gone into exile abroad since the declaration of the state of emergency in 1985, including Steve TSHWETE (former President of the UDF - Border) and Russel MAPHANGA (organiser of the UDF - Natal), have since joined the ANC becoming actively involved in ANC activities. From recent law suites it seems that UDF supporters are involved in underground ANC cells. In this regard Greta APPLEGREN (a prominent UDF supporter in Natal) was found guilty of attempted murder on 7 April 1987 owing to her involvement in a terrorist attack in June 1986 in Durban. In the Western Cape a number of well-known UDF activists, among them Cecil ESAU, were found guilty in May 1987 of being involved in ANC terrorist activities.

DATE OF INFORMATION : June 1987

RELIABILITY GRADING : 2

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REFERENCE : B/ 0589

DATE : 25 June 1987

135/c

TRADE UNION OPPOSES STAY-AWAY ACTIONS

1. The National Union of Textile Workers (NUTW) affiliated to the Congress of SA Trade Unions (COSATU) stated recently - in connection with periodic appeals by COSATU and the UDF for national stay-aways - that the NUTW does not support this issue, but intimidation is a factor.

2. Furthermore, the NUTW expressed its dissatisfaction with the recent necklace murders of employees of the South African Transport Services (SATS) and maintained that the action of the Security Forces during the SATS strike was justified.

3. ELUCIDATION AND COMMENT

   a. The NUTW had already indicated in 1986 that it was not prepared to support politically inspired trade uion actions, such as national stay-aways, as the Union opposes the politicization of trade unions in order to attain the goals of political pressure groups such as the UDF. The Union is dissatisfied with radical actions and statements by COSATU's "populist" orientated top management.

DATE OF INFORMATION : June 1987
RELIABILITY GRADING : 2

SECRET

REFERENCE : B/0625

DATE : 23 July 1987

GDR : STATEMENTS DURING UNDP MEETING

1. The German Democratic Republic's (GDR) representative at the World Nations Development Programme (UNDP), Mr G SCHUMANN, stated during the 34th sitting of the council of this body on 6 June 1987 in New York that East Bloc states had already made several disarmament proposals to the West, and - if these were acceptable to the West - an appreciable amount would be available for development aid in the Third World. According to him a document on this matter, accepted during the Warsaw Pact Summit Conference on 28 and 29 May 1987 in East Berlin, would be released shortly.

2. ELUCIDATION AND COMMENT

This statement is linked to a broader and intensified propaganda campaign by the East Bloc states by way of which they are trying to stress that the West's armament programs are an important hindrance in the way of greater aid to the developing states.

DATE OF INFORMATION : June 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0692

DATE : 23 July 1987

ZAMBIA : TRANSPORT COMPANY SHOWS GREATER LOSS

1. The state-controlled transport company in Zambia, the United Bus Company of Zambia (UBZ) showed a loss of US$10 million for the 1985/86 financial year in comparison with US$2,9 million during the 1984/85 financial year.

2. ELUCIDATION

Zambia needs about 1 350 busses to supply in its public transport needs and the UBZ, which is the only bus company in Zambia, at present only has 200 roadworthy busses.

DATE OF INFORMATION : July 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0696

DATE : 23 July 1987

MOZAMBIQUE: POSSIBLE FUTURE FRENCH MILITARY INVOLVEMENT

1. Prime Minister Mario MACHUNGO of Mozambique held talks with the French Minister of Foreign Affairs, Mr Jean-Bernard RAIMOND, in Paris on 8 July 1987 on the possibility of sending a French military delegation to Mozambique to examine possible military cooperation between these two states.

2. ELUCIDATION

At present Britain and Portugal are the only Western states that are providing Mozambique with training aid and logistic support.

DATE OF INFORMATION : July 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0698

DATE : 23 July 1987

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LIBYA : CHAD THREATENED CONCERNING THE AOUZOU STRIP

1. In a press statement on 12 July 1987 the Libyan Department of Foreign Affairs warned the Chadian government that Libya would regard any military activity in the Aouzou strip as a declaration of war by Chad and states supporting it in this regard. According to the statement Libya still regards the Aouzou strip as part of its territory and consequently the Libyan military forces in this region are within the borders of Libya. Remark : The Aouzou strip has been occupied by Libya since 1973.

2. ELUCIDATION AND COMMENT

This statement is probably linked to President HABRé's visit to the USA in June 1987 and to France in July 1987, where he asked for further military assistance, amongst other things, and declared that Chad would do everything in its power to regain the Aouzou strip.

DATE OF INFORMATION : July 1987
RELIABILITY GRADING : 2

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135/C

REFERENCE : B/0629

DATE : 15 July 1987

PERU : *DIPLOMATIC RELATIONS WITH GHANA*

1. Peru and Ghana announced on 23 June 1987 that diplomatic relations would be established at ambassadorial level.

2. **ELUCIDATION**

Since President Alan GARCIA of Peru took over power in 1985 this country has expanded/established diplomatic relations with several states, especially Marxist orientated African states. Diplomatic relations are maintained with Zimbabwe and Angola, amongst others.

DATE OF INFORMATION : July 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0690

DATE : 23 July 1987

FRANCE : THE CURRENT POLITICAL SITUATION

1. *INTRODUCTION*

The political scene in France is currently dominated by the expiry of the first year of power-sharing in accordance with which a socialist President and a conservative Prime Minister share the political power. Another dominant event is the presidential election scheduled for May 1988.

2. *THE FIRST YEAR OF POWER-SHARING*

a. The results of the French parliamentary election of 16 March 1986 led to an awkward situation between two political leaders diametrically opposed to each other, ie Pres Francois MITTERRAND of the Parti Socialist (PS), and Premier Jacques CHIRAC of the neo-Gaullist Rassemblement pour la République (RPR).

b. CHIRAC became Prime Minister after his RPR and the moderate Union pour la Democratie Francaise (UDF), had succeeded, with the help of 14 independent conservative members of parliament, in obtaining a rather unsteady majority in the National Assembly (290 out of 577 seats). As a result of this CHIRAC became the first French Premier in the 28 odd years of the Fifth Republic to serve under a

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President belonging to an opposition party, and despite the good intentions of both men to do their utmost towards developing a workable relationship, France has nevertheless entered an era of political fluidity and uncertainty.

c. After the elections CHIRAC and MITTERRAND agreed to delimit their individual spheres of work so as to prevent any clashes : CHIRAC would focus on domestic affairs (such as economic policies), while MITTERRAND would retain the presidential prerogative of dealing with foreign affairs and defence policies (in both of which he is particularly interested).

d. In spite of all this the first year of power-sharing has been marked by tensions and confrontation, especially with regard to the following internal matters :

- When forming his Cabinet CHIRAC wanted to appoint Mr Jean LECANUET (UDF President) as Foreign Minister, and Mr Francois LEOTARD (now Minister of Cultural Affairs and Communication as well as Secretary-General of the Parti Républicain - a component of the UDF) as Minister for Defence. MITTERRAND could not get himself to agree with these appointments and insisted on Mr Jean Bernard RAIMOND becoming Foreign Minister and Mr André GIRAUD Minister for Defence, which ultimately came to pass.

- CHIRAC's programme for economic reform, which included in the privatising of banks and industries (which meant repealing an act introduced by the former socialist regime) and the abolition of price control, developed into a dispute because MITTERRAND regarded these steps as an intentional

dismantling of Socialism in France. In this case, CHIRAC has already succeeded in getting his reforms carried through.

- CHIRAC also indicated that some of the first measures to be introduced by him would be the abolition of the system of proportional representation (also introduced by the former socialist government upon MITTERRAND's insistence) and that he would not hesitate to pass legislation by way of decrees - a quick method of passing and implementing laws that might otherwise drag on over a long period. Although MITTERRAND was not in favour of these proposed amendments, he realised that CHIRAC had been accommodating with regard to the Cabinet appointments and that it was now incumbent upon him to concede to CHIRAC's plans.

d. Concerning foreign policy and matters of defence CHIRAC often intentionally tried to exert influence on the formulation and implementation of policies at MITTERRAND's expense, as is borne out by the following :

- Prior to his departure for Tunisia in May 1986 CHIRAC re-called the French Ambassador there, Mr ROULEAU, to Paris, which was seen as an indication of his discontent concerning ROULEAU's appointment. ***Remark*** : ROULEAU's appointment as Ambassador in 1985 was a contentious case, as he was a personal friend of MITTERRAND's, and no professional diplomat.

- Shortly after CHIRAC came to power he made it clear that he was in favour of France participating in the USA's Strategic Defence Initiative (SDI). This

led to a point-blank clash with MITTERRAND who had already proposed the European Protea Project as an alternative for the SDI.

- CHIRAC's statement of August 1986 in which he expressed his opposition to the founding of a Palestinian state was directly contrary to the pro-Palestinian attitude of MITTERRAND. CHIRAC also stated emphatically that he was not in favour of dialogue with the PLO leader, Jasser ARAFAT. With regard to a Mid-East peace conference, which enjoys increasing international support, CHIRAC has already indicated that, other than MITTERRAND who supports such a conference, he himself has no reason to believe that this would lead to peace in the Middle East.

- During a joint visit to Madrid, Spain, in March 1987 CHIRAC and MITTERRAND clashed openly as to who should get the credit for the renewed trust between France and Spain which resulted upon France's readiness to extradite Basque terrorists to Spain.

- Differences between these two leaders also became apparent in respect of French policy concerning the European Community (EC). MITTERRAND, for example, did not oppose the admission of Spain and Portugal to the EC, whereas CHIRAC's conservative alliance was convinced that these two countries had been granted membership much too soon.

- The current debate on the political future of New Caledonia is also aggravating the tensions inherent in the already delicate process of power-sharing : MITTERRAND favours the independence of this French

territory on condition that close cooperation with France is maintained, whereas CHIRAC is opposed to its independence.

- Where European disarmament is concerned, MITTERRAND unconditionally supports the withdrawal of short and medium distance nuclear missiles from Europe, while CHIRAC maintains that such a step must be subjected to severe restrictions.

e. Power-sharing has also posed problems as far as protocol is concerned. So, for example, visiting statesmen have to deliver identical messages to the office of the President and to that of the Prime Minister. When Premier Margaret THATCHER from Britain visited France in March 1987, MITTERRAND received her at the ancient Norman capital of Caen instead of in Paris so as to forestall a meeting between CHIRAC and THATCHER, which would have been in line with protocol, had she visited Paris.

f. Besides the complexities and problems that attend power-sharing, the conservative alliance has also had to face internal party problems. One of these that led to dissatisfaction within UDF/RPR ranks is that neither the Speaker of the National Assembly nor any Cabinet Minister is a member of the UDF. This poses a rather unpleasant problem to CHIRAC, since the UDF could at any time withdraw its support from the alliance with a resultant constitutional crisis for the government.

g. CHIRAC's adamant attitude towards terrorism and crime was largely responsible for turning the tide of his waning popularity. This became particularly evident after the arrest of four leaders of the terrorist group, Action Directe (AD), in March 1987, and the sentence of life-long

imprisonment passed on the Lebanese terrorist, Georges Ibrahim ABDALLAH.

h. In spite of all these problems the process of power-sharing safely passed the halfway mark in March 1987, and although it may still appear rather shaky, it can nevertheless be expected to last until 1988, since neither CHIRAC nor MITTERRAND wishes to bear the blame for causing it to fail and therewith jeopardise his candidature for the presidency.

3. *PREVIEW OF THE 1988 PRESIDENTIAL ELECTION*

a. Although the next presidential election in France is scheduled for the first week of May 1988 and the current situation is rather fluid, the present position of the various parties and their potential candidates could be an indication of the outcome of such an election.

b. The PS, with MITTERRAND as leader until his election as President in 1981, remains the largest single political party in France. Should MITTERRAND decide to run for the presidency, his chances of reaching the final round seem to be excellent, as he would be the only candidate with sufficient public support to present any real opposition to Mr Raymond BARRE of the UDF. MITTERRAND's popularity is currently estimated at about 53 percent. Should he not run for the presidency, then Mr Michel ROCARD (leader of the right wing in the PS) would probably be this party's candidate. Though these two men have ideological and personal differences (ROCARD, for example, resigned as Minister of Agriculture in 1985 when MITTERRAND confirmed that he would proceed with his programme of proportional representation) and although ROCARD has on several occasions declared himself willing

to run for the presidency, he also qualified this statement by saying that he would not oppose MITTERRAND.

c. CHIRAC will most likely be the RPR candidate, although his chances have diminished owing to the political tension engendered by power-sharing. He is also handicapped and his political manoeuvring is hampered by trying on the one hand to satisfy the rightists' demands for reform while at the same time endeavouring to avoid a confrontation with MITTERRAND that could result in a constitutional crisis. CHIRAC's popularity has fluctuated considerably since his coming to power : 48 percent in July 1986, 51 percent in October 1986, with a dismal drop to 39 percent in February 1987, followed again by a slight rise to 43 percent. It is generally accepted that CHIRAC will officially announce his candidature only towards the end of 1987 when, according to him, the foundations of his policy will have been firmly laid. He has already expressed the hope that the French electorate would realise the absolute need for continuity in the economic rehabilitation of France, and accordingly support his candidature. CHIRAC is moreover convinced that public opinion concerning his candidature can be positively influenced as unemployment decreases, as progress is made with economic rehabilitation and as security measures are tightened up. *Remark* : Available statistics, however, indicate that growth in the French economy has not been quite satisfactory since the beginning of 1987, while a recent opinion poll has also shown that about 68 percent of the French population believe that the economy is on the decline. This is reflected by the trade figures for May 1987, recently disclosed (where France is shown to have a trade deficit of 5,6 billion French francs in respect of its foreign trading partners), as well as by the immediate effect this disclosure had on stock-market prices and on the value of

the franc as compared to that of the other major monetary units. In the meantime it is foreseen in a report of the Organisation for Economic Cooperation and Development (OECD), issued in June 1987 that despite the anticipated decline in economic growth together with a higher inflation rate in France during 1987, the prospects for 1988 do appear to be more favourable.

d. Although the independent BARRE has not yet officially confirmed his candidature, he is regarded as the obvious candidate for the UDF. His popularity has soared and politically he has only two possible opponents, ie LEOTARD and Mr Valéry GISCARD D'ESTAING. The former has not yet confirmed his candidature, but did mention during an interview on 1 June 1987 that the possibility existed. Although LEOTARD is ambitious, BARRE's supporters hope that he will sacrifice his ambition, and for the sake of rightist unity allocate his support to BARRE. GISCARD D'ESTAING apparently realises that his chances of being elected as candidate for the UDF are slender. However, his election on 7 April 1987 as Chairman of the French National Assembly's Committee for Foreign Affairs (a particularly influential position) might serve to boost his candidature.

e. At present the activities of the Parti Communiste Francaise (PCF), led by Mr Georges MARCHAIS are being restricted by a group of so-called reformers who favour an independent line of conduct for the party (ie one of less dependence on the Soviet Union). Although the PCF is currently keeping a low profile with regard to the 1988 presidential election, André LAJOINIE (logical successor to MARCHAIS) was appointed as candidate for the PCF on 18 May 1987.

f. The National Front (FN), is a party to the far right with a strong nationalist tendency, and its candidate, Mr Jean-Marie LE PEN announced his candidature on 26 April 1987. Although his anti-immigrant policy is gaining in popularity among the electorate (so much so that CHIRAC was compelled to request the RPR-UDF alliance to form a common front against this FN campaign), LE PEN has no chance of winning the election. He might succeed in drawing 10 to 15 percent of the votes at the first round, which may give him a major negotiating role in the second round, when he will probably advise the voters to support a specific conservative candidate.

g. Of all the above-mentioned candidates there are only three that are expected to play a prominent part in the 1988 presidential elections, ie MITTERRAND, CHIRAC and BARRE. Of these three BARRE is at present the most popular.

DATE OF INFORMATION : July 1987

RELIABILITY GRADING : 2

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REFERENCE : B/0691

DATE : 23 July 1987

PORTUGAL : TALKS WITH ANGOLA

1. On 6 July 1987 the Portuguese Minister of Foreign Affairs, Mr Pedro DE MIRANDA, had talks with President Eduardo DOS SANTOS in Luanda, Angola on bilateral affairs and the situation in southern Africa.

2. **ELUCIDATION**

   DE MIRANDA was in Luanda for a series of meetings by the Angola-Portugal Cooperation Commission, during which amongst others a bilateral cooperation agreement of R300 million was signed.

DATE OF INFORMATION : July 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0683

DATE : 23 July 1987

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IRAN: MAURITANIA BREAKS OFF DIPLOMATIC TIES

1. The Mauritanian Department of Foreign Affairs announced on 28 June 1987 the severing of its diplomatic ties with Iran because the latter was unwilling to enter into negotiations for peace in the Middle East.

2. ELUCIDATION

The sympathy of the Muslim Republic of Mauritania has always lain with Iraq and it is also strongly in favour of the termination of the war between Iran and Iraq.

DATE OF INFORMATION : July 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0676

DATE : 23 July 1987

ANC : APPEAL FOR INTENSIFIED ACTION

1. In an official statement to celebrate the anniversary of Soweto Day on 16 June 1987 the ANC's National Executive Committee, NEC, appealed to the population in South Africa to intensify the "liberation offensive" on all fronts during the second half of 1987 to a "massive revolt" in order to progress further on the way to "people's power".

2. The following guidelines/tasks were set out as important "liberation initiatives" :

   - The "struggle" to implement "people's education" must be intensified by such methods as the "removal" of Security Force members from school grounds as well as the country-wide establishment and strengthening of "democratic" structures for students, parents and teachers.

   - COSATU must be strengthened by means of united action by the "democratic movement" on regional and national levels. Campaigns (such as the campaign for subsistence wages) initiated by COSATU must be actively supported.

   - The people must be organised into "people's street and village committees" and such committees must be extended in areas where the "enemy" has succeeded in weakening

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them. In addition, fighting groups and "self-defence units", in which particularly the youth should become involved, must be set up and extended in all areas, for action/and protection against the Security Forces.

- The rent boycott campaign must be extended. Attempts by the Government or other employers to destroy this campaign by recovering the rent from the salaries of their employees must be opposed by COSATU and other trade unions.

- The campaign for the release of all "political prisoners", as well as detainees, must be brought to a head, especially in the light of the fact that on 5 August 1987 Nelson MANDELA will have been in prison for 25 years.

- Whites and all other South Africans striving for "democracy", peace and progress must unite as a broad front in their action to destroy the "enemy".

- Coloured and Indian communities must intensify the "struggle" in their areas and should coordinate their actions with the rest of the "democratic movement".

3. Further actions aimed at hampering Government initiatives and the functioning of Government structures were also spelled out, namely :

- The Security Forces must be divided and weakened by means of united, intensified and widespread actions by the population. Besides this, Security Forces should resign and join the ranks of "the majority".

- "Actions" must be launched against Government institutions. Businessmen must refrain from giving their financial support and participation to such institutions and similar "oppressive structures".

- The National Statutory Council must be rejected and possible members identified by the Government must refuse to become involved.

- Attempts by "the enemy to reactivate its network of spies and informants" must be prevented. "Professional hirelings" of the South African Government must be identified and action must be taken against them, while recruitment attempts for "the enemy's murdering gangs and 'vigilante' groups" must be impeded and prevented.

- The people in the National States must revolt against their Governments, and those in KwaNdebele must, just as in the past, refuse to accept "the independence scheme of the Government".

4. COMMENT

This statement was probably aimed at encouraging the South African population to participate in intensified mass actions during the period 16 to 26 June 1987 and, in the light of the ANC's Year of Advance to People's Power, it is aimed at promoting large-scale participation by the population in the "struggle" on all levels. However, it does not pose any new guidelines/tasks and only attempts to give greater momentum to existing acts of resistance and revolutionary planning for 1987. It also appears that, despite its claim to revolutionary successes, the ANC is especially concerned about the establishment of a National Statutory Council and that, consequently, it is increasingly being compelled "to warn" the population against involvement in Government institutions. Thus, a large part of the statement is devoted to the setting out of "reactionary actions" in order to neutralise Government initiatives and Security Force actions.

DATE OF INFORMATION : July 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0727

DATE : 30 July 1987

THE NETHERLANDS : SUPPORTS THE IDEA OF A WESTERN EUROPEAN COMBAT BRIGADE

1. According to a spokesman of the Department of Defence the Netherlands is in favour of a joint Western European combat brigade and is prepared to make troops available for this purpose.

2. The Netherlands is the first country to react positively to the proposal of Chancellor KOHL for other Western European states to join the brigade, which may be formed by the FRG and France.

3. The Netherlands recently took over the Chairmanship of the Western European Union (WEU) and intends to propagate the idea of a combat brigade.

DATE OF INFORMATION : July 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0687

DATE : 23 July 1987

SACP : TALKS WITH FRELIMO

1. A delegation of the SACP's Central Committee led by Joe SLOVO (General Secretary) recently visited Mozambique upon an invitation from FRELIMO.

2. The delegation had talks in with Pres Joaquim CHISSANO, Mr Marcelino DOS SANTOS (President of Mozambique's People's Assembly) and Mr Armando GUEBUZA (member of FRELIMO's Politburo and Minister for Transport and Communications). The talks focussed on the situation in southern Africa and possible ways of putting an end to "colonialism in Namibia, to the destabilisation of the sub-continent and to apartheid in South Africa".

3. In a radio interview with the Mozambique news agency, AIM, on 18 June 1987 SLOVO stated i a :

- The SACP and FRELIMO have "a common enemy" and consequently are reaching for the same goals.
- The South African government "takes no interest in the spirit of agreements such as the Nkomati Pact and will continue to undermine the sovereignty of its neighbours".
- The selection of targets for the ANC's armed onslaught are determined by "revolutionary discipline" and consequently

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does not purpose to involve innocent people in armed violence. In this respect the car bomb that exploded in Johannesburg on 20 May, killing four members of the South African Police, was a "very effective onslaught" in the sense that the victims were "perfectly legitimate targets". In the past there were, however, incidents "where individual members, incensed beyond control, did attack soft targets".

- The South African government is trying to encourage the Black vs Black conflict by giving its support to the rightist "vigilante" groups.

- His (SLOVO's) resignation as Chief of Staff of Umkhonto we Sizwe (MK) at the beginning of 1987 became essential in order to reinforce the SACP as party to the revolutionary alliance as well as an independent power. According to him socialism should be promoted even at this stage, although the SACP does not envisage the goal of immediately implementing a socialist system in South Africa.

4. ELUCIDATION AND COMMENT

a. These talks, occurring only a few months after the ousting of prominent ANC members from Mozambique, must be judged against the background of the significance the SACP has always attached to Mozambique as operational base for its own as well as for the ANC's underground activities in South Africa. Although the talks, according to SLOVO himself, dealt with "steps" that could jointly be taken against the South African government it is to be foreseen that, in view of the Nkomati Pact, Mozambique will overtly not go beyond committing herself to only political and moral support for the ANC/SACP/SACTU alliance.

b. Although the SACP liaises with other communist parties on a regular basis, it has increasingly been striving - particularly since its party congress in 1984 - to assert the "independent" part it plays as a Marxist-Leninist party. This official visit to Mozambique thus contributes towards aggrandising the stature of the SACP as an independent participant in the revolutionary onslaught against South Africa.

DATE OF INFORMATION : July 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0657

DATE : 23 July 1987

PAC : REACTION TO FUNDS FROM IRAQ

1. In June 1987 the Iraqi embassy in Dar es Salaam (Tanzania) donated US$10 000 to the PAC. According to Johnson MLAMBO (Chairman of the PAC) this is indicative of Iraq's continued support for "the struggle for self-determination and independence in South Africa".

2. **ELUCIDATION AND COMMENT**

   a. The PAC and the Iraqi government have maintained good relations since 1981 and the PAC has an office in Baghdad, while PAC members/supporters receive military training in Iraq.

DATE OF INFORMATION : June 1987

RELIABILITY GRADING : 2

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REFERENCE : B/0767

DATE : 30 July 1987

FRANCE : SUPPLY OF FIGHTER AIRCRAFT TO EGYPT RESUMED

1. On 9 July 1987 Mena announced that France had resumed the supplying of Mirage 2000 fighter aircraft to Egypt after these two countries had solved the problem regarding Egypt's debt commitments had been solved satisfactorily. In the meantime Egypt's Minister of Defence, Abu GHAZALA, also announced that the last two American E-2-C radar warning aircraft will be delivered to Egypt early in 1988.

2. ELUCIDATION

The Egyptian defence force has 450 fighter aircraft about half of which are of Soviet origin.

DATE OF INFORMATION : July 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0685

DATE : 23 July 1987

ALGERIA/LIBYA : POSSIBLE FORMATION OF A UNION

1. In an official statement on 17 June 1987, after a three-day visit by a Libyan delegation to Algeria, both countries said that the possibility of a union between them had been examined and that a report regarding the political, economic and legislative implications of such a step would be studied by both leaders.

2. Several economic cooperation agreements have already been signed by these two states in accordance with which joint companies will be established and mutual trade links will be expanded. A uniform legal system is also being considered for these states.

3. COMMENT

The possibility of the formation of a union between Algeria and Libya has been introduced during the visit of Col GADDAFI to Algeria at the end of January 1986. Libya is apparently trying to escape from its relatively isolated position in Africa and is trying, especially after the breaking of the "amalgamation" agreement between itself and Morocco in August 1986, to establish greater cooperation, especially with the Arab African states.

DATE OF INFORMATION : July 1987

RELIABILITY GRADING : 2

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Crisis Sud Africa

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REFERENCE : B/0688

DATE : 23 July 1987

<u>ANC : REACTION TO REINTRODUCTION OF STATE OF EMERGENCY</u>

1. Since 11 June 1987 several members of the ANC's National Executive Committee (NEC) have reacted, by way of Radio Freedom broadcasts, to the reintroduction of the state of emergency in South Africa.

2. The state of emergency "demands", according to the ANC, that the people must intensify the "struggle" on all fronts, i a by moving away from the defensive to the offensive. Furthermore, the people must arm themselves and act in a well-organised manner to launch more intensive action against the Security Forces and to expand the struggle to the white areas. Clandestine talks between all interested parties should continue on a larger scale so as to ensure joint action and decisionmaking, thus intensifying the revolutionary climate in the country.

3. ELUCIDATION AND COMMENT

Propaganda broadcasts are clearly aimed at concealing the restrictive effect of the emergency measures on the "liberation struggle". There are even indications of increasing anxiety within the ranks of the ANC because of the demoralising effect of successful action by Security Forces, particularly with regard to the apprehension of ANC insurgents and their assistants, the confiscation of terrorist weapons and the perception/implication

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that the revolutionary forces are more and more losing their "control and initiative" as far as it concerns the internal situation of unrest. During the past weeks the ANC has therefore been concentrating its propaganda on urging the population to intensify the conflict with the Security Forces in order to aggravate the revolutionary climate by means of overt violence and to persuade/motivate the people to accept the fact that the undermining and destruction of the state of emergency will be a major step towards the realisation of "people's power".

DATE OF INFORMATION : July 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0653

DATE : 15 July 1987

GDR : NEW APPOINTMENTS IN THE SECURITY COMMUNITY

Mr Rudi MITTIG (Deputy Minister of State Security of the German Democratic Republic - GDR) was recently appointed Minister of State Security in the place of Mr Erich MIELKE. Furthermore, Mr Werner GROSSMAN was designated the new Head of the East German Intelligence Service, the MFS, in the place of Mr Markus "Misha" WOLF.

DATE OF INFORMATION : July 1987

RELIABILITY GRADING : 2

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REFERENCE : B/0646

DATE : 23 July 1987

EAST AND CENTRAL AFRICA : SUMMIT ON IMPROVED COOPERATION

1. On 10 June 1987 after a meeting of two days in Khartoum, Sudan, the Heads of State and representatives from Sudan, Zaire, Rwanda, Burundi, Tanzania and Uganda in a joint communiqué made an appeal for better regional cooperation between the East African states and those of Central Africa.

2. Pres MUSEVENI of Uganda and Pres EL-MAHDI of Sudan signed an agreement during talks held subsequent to the summit meeting, with the objectives of improving the security along their common border and of solving the refugee problem.

3. ELUCIDATION

These regional talks, attended by leaders from East and Central African states, occur on a quarterly basis and are focussed mainly on bilateral cooperation in respect of trade, transport, security, refugees and the exchange of information.

DATE OF INFORMATION : July 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0643

DATE : 23 July 1987

ZAIRE : OIL REFINERY OPERATIONAL ONCE AGAIN

1. Zaire's national oil refinery, SOZIR (owned jointly by Italy and Zaire), announced at the end of May 1987 that, with the help of the US multinational companies Chevron and Zaire Gulf Oil, it would soon be operational again. *Remark* : SOZIR discontinued refining oil about four years ago as a result of a shortage of supply of oil by Iran to Zaire, as well as internal financial problems.

2. ELUCIDATION

   a. SOZIR, which can refine only crude oil, has a refining capacity of about 750 000 tons per annum and will initially refine 300 000 tons of Nigerian crude oil.

DATE OF INFORMATION : June 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0634

DATE : 15 July 1987

LESOTHO : DIPLOMATIC RELATIONS WITH THE USSR

1. **B A TLELASE, Lesotho's residential ambassador in Denmark, presented his credentials to the Presidium of the Supreme Soviet on 18 June 1987. He is also the accredited representative for Norway, Sweden and the GDR.**

2. **ELUCIDATION**

Lesotho and the USSR had already established diplomatic relations in 1980. As far as is known TLELASE is the first ambassador from Lesotho to present his credentials to the USSR. The USSR's ambassador in Mozambique presented his credentials to Lesotho in June 1983 while a mission was opened in October 1983 in Maseru, Lesotho.

DATE OF INFORMATION : July 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0764

DATE : 30 July 1987

EGYPT: IRANIAN TERRORIST GROUP EXPOSED

1. The Security Police in Egypt recently exposed a terrorist group, financed by Iran, in Cairo. Approximately 20 members of this group, including Palestinians, were detained. Large quantities of arms, explosives and pamphlets were also confiscated. The pamphlets promote revolution against the Egyptian government based on the Iranian model.

2. ELUCIDATION

This followed after the Egyptian government closed down the Iranian mission on 11 May 1987 and ordered the resident Iranian representative to leave Egypt within seven days.

DATE OF INFORMATION : July 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0626

DATE : 15 July 1987

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FMLN : MEETING WITH ANC AND SWAPO

1. Apparently the Farabundo Marti Front for National Liberation (FMLN, an umbrella organisation for terrorist groups in El Salvador) held talks in Lusaka, Zambia, during June 1987, with delegations from the ANC and SWAPO.

2. In its New Year's messages from 1985 to 1987 the ANC expressed solidarity with the Farabundo Marti National Liberation Front, but as far as is known, this is the first direct liaison between the ANC and these organisations.

3. REQUEST

   Any relevant information would be appreciated.

DATE OF INFORMATION : July 1987

RELIABILITY GRADING : 2

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REFERENCE : B/0723

DATE : 30 July 1987

ZIMBABWE, ZAMBIA AND MOZAMBIQUE'S ECONOMIC DEPENDENCE ON SOUTH AFRICA

1. INTRODUCTION

South Africa and the countries in southern Africa form a regionally integrated economic system, dominated by the more economic advanced South Africa, which is able to provide economic goods and services that are to the advantage of these countries. A factor which is often not fully appreciated by the instigators of economic measures against South Africa, is the fact that these measures will have implications that will go far beyond the borders of South Africa. Any changes in South Africa's economic fortunes will therefore be felt throughout the subcontinent. In certain respects other southern African countries will suffer even more from sanctions than South Africa itself.

2. SOUTH AFRICA'S ECONOMIC RELATIONS WITH ZIMBABWE

a. Zimbabwe depends on South African transportation links for more than 80 percent of its overseas trade, including the importation of crucial raw materials for manufacturing. The extent of the trade conducted with South Africa varies from product to product. In this respect the facts are as follows :

- 20 percent of Zimbabwe's cotton is marketed in South Africa

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- 41 percent of its manufactured articles are marketed in South Africa

- Zimbabwe's most essential imports from South Africa are chemicals, steel products which cannot be manufactured at ZISCO, explosive and related products that cannot be transported over long distances, vehicle spares and machinery

- Zimbabwe markets a large quantity of its tobacco production in South Africa at preferential tariffs.

b. The South African Transport Services (SATS) render an extensive service to Zimbabwe. On average more than 3 500 SATS railway trucks are currently in Zimbabwe, while an undivulged number also operate on the Beira corridor transport route. The SATS also provide spare parts, financial assistance and technical advice on a continuous basis.

c. Zimbabwe enjoys a tariff reduction and duty free entry to South African markets on certain products, while more than 160 000 illegal Zimbabwean immigrants presently have jobs in South Africa.

d. Close cooperation exists between various Zimbabwean government departments and those in South Africa, for example Police, Finance, Trade, Agriculture, Geology, Mining, Civil Aviation and Research.

e. During 1986 about 85 000 South African tourists visited Zimbabwe which are an important source of foreign exchange for Zimbabwe. South Africans traditionally spend more in Zimbabwe than their African counterparts.

f. South African companies have extensive links with Zimbabwe, especially in the fields of mining, tourism and

industry. Investments by South African companies in Zimbabwe amounted to about US$400 million in 1985.

g. Zimbabwe's imports from South Africa increased by 27,3 percent from 1985 to 1986 while exports to South Africa contributed 20 percent to Zimbabwe's total export earnings.

h. Zimbabwe was forced to import 34 000 tons of petroleum from South Africa at the beginning of 1987, because of a lack of petroleum for inter alia, their farming sector and national airline.

3. SOUTH AFRICA'S ECONOMIC RELATIONS WITH ZAMBIA

a. Zambia is heavily dependent upon South Africa for investment, trade and transport. South Africa is an inexpensive and trustworthy source of Zambian imports, especially with regard to basic consumer goods, mining, machinery and certain vitally important petroleum products.

b. While the Tazara-pipeline is working, Zambia is in no respect dependent on South Africa for petroleum products. However, the pipeline is in a poor condition and frequently petroleum products have to be supplied by South Africa (eg in 1985 South Africa supplied 11 million litres of diesel and 6 million litres of jet fuel to Zambia). Furthermore, Zambia is totally dependent on South Africa for lubricants.

c. In the first ten months of 1986 South Africa exported goods to Zambia to the value of US$140 million and imported goods to the value of US$5 million.

d. Most of Zambia's explosives for its vitally important mining sector are supplied by South Africa. These

explosives are transported in special packaging and it would be dangerous to obtain these explosives from other sources by sea while most airlines refuse to handle explosives.

4. SOUTH AFRICA'S ECONOMIC RELATIONS WITH MOZAMBIQUE

a. In 1986 South Africa exported goods to the value of US$69,4 million to Mozambique and imported goods to the value of US$3,8 million from Mozambique.

b. South Africa supplies Mozambique with vital basic foodstuffs, fuel, oil and coal, which are essential to the Mozambican economy.

c. South African companies have rendered extensive services to Mozambique especially after the signing of the Nkomati Accord with regard to agriculture, storage facilities for exports to the value of US$2,0 million, the upgrading of the Mozambique sugar industry, feasibility studies and the upgrading of Maputo harbour - the latter to the value of US$5,8 million.

d. The SATS provide technical advice, spare parts and rolling stock (on average 774 railway trucks per month) to Mozambique. The SATS recently sold two tugboats to Mozambique at very generous prices as a sign of goodwill to streamline operations in Maputo harbour.

e. South Africa makes extensive use of Maputo harbour which provides Mozambique with a stable harbour income per annum.

f. The South African Airways (SAA) and the Mozambique Airways (LAM) operate respectively one and two return flights per week between these countries and the SAA provides technical assistance for the repair of LAM-aeroplanes.

g. A large number of Mozambicans are working legally in South Africa, while estimates show that more than 230 000 Mocambique nationals are working illegally in South Africa. Transfer payments and deferred pay amount to nearly US$89,6 million per annum.

h. South Africa supplies about 60 percent of Mozambique's electricity requirements, mostly to the southern parts where approximately 40 percent of its industrial sector is situated.

DATE OF INFORMATION : July 1987
RELIABILITY GRADING : 2

SECRET *ingles*

REFERENCE : B/0619

DATE : 23 July 1987

135/C

PLO : ARAFAT'S POSITION AFTER APPOINTMENTS IN EC

1. The PLO news agency, WAFA, announced the members of the Executive Committee (EC) of this organisation on 21 May 1987 after the EC met from 13 to 17 May 1987 in Algiers (Appendix A).

2. ELUCIDATION AND COMMENT

   a. After the 18th session of the Palestine National Council (PNC) from 20 to 25 April 1987 in Algiers the PLO (EC) was enlarged and presently consists of 16 members. The at least seven independent members (ie persons who are not members of Palestinian terrorist groups) included in the EC, will probably be loyal towards ARAFAT and his organisation, Al-Fatah, which has three representatives on the EC.

   b. Although four radical factions each have one representative on the EC, they can bring considerable pressure to bear on ARAFAT, since the withdrawal from the EC can lead to renewed division in the PLO. So, to a large extent the EC will be compelled to comply with the resolutions accepted during the recent PNC meeting.

DATE OF INFORMATION : July 1987
RELIABILITY GRADING : 2

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APPENDIX A

PLO EC OFFICE BEARERS		*PORTFOLIOS*
Mohammed Abed Arouf (Yasser) ARAFAT (Al-Fatah)	:	**Chairman of the PLO EC and Head of the Military Department**
Jamel SAOURANI (Independent)	:	**Secretary-General and Head of the Administrative Department**
Farouk KHADOUMI (Al-Fatah)	:	**Head of the Political Department**
Mahmoud ABBAS (Al-Fatah)	:	**Head of the National and International Department**
Jaouid AL-JHOSSEIN (Independent)	:	**Chairman of the Palestinian National Fund**
Mohamed MELHEM (ndependent)	:	**Head of the Department for Occupied Territories**
Abderrazak EL YAHIA (Independent)	:	**Head of the Department for Education and Economy**
Yasser ABRABBOU (DFLP)*	:	**Head of the Department of Information**
Abderrahim HOURANI (Independent)	:	**Head of the Department of Cultural Affairs**
Mustapha AL-ZIRI (PFLP)**	:	**Head of the Repatriation Department**

Mahmoud DEROUICH (Independent)	:	Chairman of the Council for Culture and Information
Abderrahim AHMED (Unknown)	:	"People's Organization Department"
Souleiman MADJAB (Unknown)	:	Head of the Department for Social Affairs
Abou Ali MUSTAPHA (Unknown)	:	Head of the Department for Palestinian camps
Mohammed ABBAS (PLF)***	:	Portfolio unknown
Elias KHOURI (Independent)	:	Portfolio unknown

* Democratic Front for the Liberation of Palestine (DFLP)

** Popular Front for the Liberation of Palestine (PFLP)

*** Palestine Liberation Front (PLF)

SECRET *ingles*

REFERENCE : B/0621

DATE : 15 July 1987

ZAMBIA : RECENT EVENTS

1. *POSSIBLE SUSPENSION OF TV BROADCASTS*

   a. At the beginning of June 1987 Zambia's Deputy Minister for Broadcasting and Information, Mr Robbinson CHONGO, stated that television broadcasts in this country would probably have to be suspended unless the Zambian Broadcasting Corporation managed to pay its debt amounting to US$5 million to foreign distributors of film materials.

   b. REMARK : For the past six months Zambian television services have been experiencing difficulties - owing to financial problems - to acquire new film material from abroad and are consequently resorting to repeat-programmes.

2. *STATEMENT BY KAUNDA CONCERNING THE USE OF SOUTH AFRICAN TRANSPORT ROUTES*

   a. On 31 May 1987, during an interview in Lusaka, Zambia, with the French newspaper Liberation, President Kenneth KAUNDA of Zambia alleged that by the end of 1987 the Southern African Frontline States (FLS) will no longer be able to make use of South African transport routes as the ANC will not allow this.

   b. REMARK : The aim of KAUNDA's statement is probably to create the impression in the international community that the the ANC can play an important role with respect to national decisions in this regard.

3. *ROAD TRANSPORT ASSOCIATION FORSEES PROBLEMS WITH REGARD TO SANCTIONS*

The Truckers' Association of Zambia (TAZ) recently announced in Zambia that the transportation of Zambian import and export goods by road via alternative routes would be impossible should economic sanctions be implemented against South Africa since there is presently a shortage of approximately 300 trucks in Zambia.

4. *PLANNED INCREASE IN THE PRODUCTION OF COPPER*

a. On 24 June 1987 the state-controlled Zambia Consolidated Copper Mines (ZCCM) announced in Lusaka, Zambia that despite the low world price for copper, this company was planning an increase in its copper output during the 1987/88 fiscal year to exceed 500 000 tons.

b. REMARK : Although ZCCM copper production increased from an all-time low of 463 000 tons during the period April 1985 to March 1986 to 471 000 tons during the 1986/87 fiscal year, this company's losses still amounted to US$89,7 million as compared to a profit of US2,3 million during the 1985/86 fiscal year.

5. *VIST BY CUBAN PARTY DELEGATION*

On 30 June 1987 two members of the Cuban Communist Party arrived in Zambia on an official 10 day visit. According to the leader of the delegation, Iser MOJENA (member of the Party's Central Committee), their objective is to improve cooperation between the ruling parties of these two countries. Cuba would also continue supporting the so-called liberation movements in southern Africa.

6. *POSSIBLE SHORTAGE OF FERTILIZERS*

a. On 16 June 1987 the production manager of Zambia's National Agricultural Marketing Board (NAMBOARD), Mr Alfred KANI, declared that before September 1987 NAMBOARD would require US$12 million in order to prevent an estimated shortage of 63 000 tons of fertilizer.

b. During the 1986/87 season Zambia is expected to have a maize shortage of about 180 000 metric tons. This is ascribed to the drought and the lack of fertilizer.

7. *DUNLOP PLANT STOPS PRODUCTION*

a. On 12 June 1987 Dunlop's factory for motor tyres, Dunlop Zambia Ltd (a subsidiary of the British multi-national firm Dunlop Holdings PLC) ceased production at its plant at Ndola (in Zambia's Copper Belt region) on account of a shortage of raw materials (due to a lack of foreign currency). 700 workers were forced to go on vacation.

b. REMARK : During 1984 and 1985 this Dunlop plant had to suspend production for a period of 20 weeks for similar reasons, and in February 1987 250 workers were dismissed.

DATE OF INFORMATION : July 1987
RELIABILITY GRADING : 2

SECRET *inglés*

REFERENCE : B/0725

DATE : 30 July 1987

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ANC : APPROACH TO TALKS WITH GROUPS IN SOUTH AFRICA

1. The ANC's strategic approach to talks with groups in South Africa was once again emphasised during the conference of the Institute for a Democratic Alternative for SA (IDASA) from 9 to 12 July 1987 in Dakar, Senegal. During its preparations, planning and the composition of a delegation, as well as in official statements, the ANC reaffirmed the importance of such talks. In addition, in its analysis of the goals and motives of former and present interlocutors and in its interpretation of the contributory causes of such talks, the ANC continually acted within the framework of the broad objectives of its revolutionary planning.

2. Where the ANC deliberately tried, during the past two years, to meet with groups within South Africa over a broad political spectrum, as was confirmed by James STUART (a member of the ANC's National Executive Committee (NEC) in a statement on 3 July 1987), the immediate importance of this step is regarded as follows :

   - Discussions improve mutual understanding between the groups and the ANC, while they provide an opportunity for the ANC to present itself as a viable alternative for the present South African Government. In addition, the talks present the ANC with an opportunity to examine the potential contribution of the various groups to its objectives. In this regard Mac MAHARAJ (an NEC member) stated, for example, during a Radio Freedom interview on

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3 July 1987, in which Oliver TAMBO also participated, that : "we have sought to understand all the forces and see how far they can be drawn into the mainstream of the struggle".

- The meetings are a practical realisation of the "crisis" in which the South African Government finds itself and its "inability" to offer a solution for the problem. In contrast the ANC projects itself (and some of its interlocutors) as "the only serious participant in the solution of the crisis". During the interview MAHARAJ emphasised the role of the ANC as follows : "they are beginning to recognise that the ANC and the forces that it spearheads are central in finding a solution".

- The ANC is given the opportunity to create communication channels, by means of discussions, through which common goals can be pursued, while its "leading role in the struggle" is strengthened. In this regard TAMBO said during the interview : "The result is that we reach common ground, a common approach. So it's a very important exercise - it has even opened up channels of communication between the movement and especially the white community". TAMBO also stated that "it is necessary that the ANC should be understood, the ANC is leading the struggle".

3. Where the ANC tries, during discussions, to move those involved "to a position that is in line with the demands of the national struggle of our people", it emphasises that the immediate results of talks depend on the various motives and interests of the groups involved in the talks. In this regard he generally makes a dual distinction with reference to "positive" results, namely :

- Groups that "redefine" their political role to the advantage of the ANC and consequently, knowingly and

unknowingly join the ranks of the ANC. ("They found that the crisis has reached a point where they need to define their relevance in terms of the central pivot of our struggle, which is the ANC"). Remark : Although the ANC was evidently suspicious of the motives of the "Afrikaner" delegation to the IDASA Conference, owing to the South African Government's quiescence, the organisation is, nevertheless, trying to involve the group in the ANC camp by means of propaganda. So, for example, Thabo MBEKI (NEC member and leader of the ANC delegation) declared during a British ITN news bulletin on 8 July 1987 : "We want these Afrikaners involved in the struggle to destroy the apartheid system. It must mean participation in the extra parliamentary process of resistance".

- Factions seriously starting to question the survival of the South African dispensation, although they do not necessarily want to cooperate with the ANC. ("Within this context the importance was that, nonetheless, they are beginning to question the validity of the continuation of apartheid serving their interests").

4. With regard to the recent conference the ANC repeatedly stressed that the talk with the IDASA delegation took place within the framework of its revolutionary strategy.

5. Notwithstanding the national and international recognition given to the ANC as the most important and even the only power factor in a future dispensation, the ANC/SACP emphasised the mobilisation potential of such talks as a facet of its strategy to bring about the creation of a broad front against the South African Government through which the weakening and eventual political "bankruptcy" of the latter would be achieved. MAHARAJ said in this regard that "we have treated them as a very serious part of our mobilising efforts" and also referred to the need "to consolidate the main force so as to confine the Botha

regime". Where the expanding of the ANC's political power base at the expense of the South African Government's power base is consequently of primary importance, the mere "neutralisation" of certain political groups surrounding the South African Government is also regarded by the ANC as a strategic breakthrough.

6. In addition, the ANC and SACP are of the opinion that the weakening of the South African Government's power base as a result of internal division, is of critical strategic importance and can be encouraged still further by talks. So, for example, the SACP Politburo declared in May 1986 that "the talks which have taken place have undoubtedly served to weaken the cohesion of the enemy both at home and abroad". It was further stressed in The African Communist (no 109/87) that the revolutionary alliance must create the climate through which "the spokesmen and scribes of the bourgeoisie (government), its platform and its press, in short, the ideologists of the bourgeoisie itself, the representatives and the represented, face one another in estrangement and no longer understand one another".

7. The ANC also stressed that talks, and eventually negotiations, are not at all detrimental to its overall goal, namely the revolutionary take-over of power. On the contrary, talks must be regarded as the culmination of its revolutionary strategy, through which the ANC/SACP/SACTU alliance does not bind itself to compromise with regard to any future negotiations, but rather carries through its program of "people's war" to its full consequences and therefore the ANC is not prepared to renounce violence for the sake of negotiations. Talks must rather be regarded as an outcome of the success of the ANC's "people's war" strategy through which "the effect of that crisis is now being felt in every section of the South African people and there is a growing recognition that our country cannot continue along its present course". In The African Communist (no 109/87) the following was said : "The liberation movement expects of them (discussion groups) to confront their rulers under the banner of

their true representatives of the people : the ANC and its allies. This is an essential element of people's war".

DATE OF INFORMATION : July 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0640

DATE : 23 July 1987

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MOZAMBIQUE : RECENT EVENTS

1. ***RISE IN CONSUMER PRICES***

On 10 June 1987 the Mozambican Minister of Agriculture, Mr Joao FERREIRA, announced an increase in consumer prices for beef, pork and eggs. After the increase the prices of beef and pork amount to US$7,82 per kg, which represents an increase of 347 percent and 526 percent respectively, while the price of one dozen eggs (US$2,27) rose by 333 percent. *Remark* : As a result of a general shortage of consumer articles and food in Mozambique the prices of these products are considerably higher on the black market and an egg, for example, is traded at one US dollar.

2. ***DEVALUATION OF MONETARY UNIT***

On 27 June 1987 the Mozambican government devalued its monetary unit, the metical, by 50 percent as opposed to the US dollar. At present one US dollar is trading at 400 meticais, compared with 200 meticais before devaluation.

3. ***NEW APPOINTMENTS IN THE FAM'S COMMAND STRUCTURE***

a. **On 20 June 1987 President CHISSANO of Mozambique announced new appointments in the command structure of the Defence Force (FAM). According to the Mozambican government these appointments are an attempt "to ensure more effective and dynamic resistance against RENAMO".**

b. **The former Commander of the Air Force, Lt Gen Antonio HAMA THAI, was appointed as the new Chief of General Staff in the place of Gen Sebastiao MABOTE (who was also discharged from office as Deputy Minister of Defence). Furthermore, new commanders were designated for the Mozambican army, air force and navy, while nine new provincial military commanders were appointed.**

c. **REMARK : These appointments are characteristic of the unstable security situation in Mozambique and are the**

first drastic changes in FAM since Mozambique's independence in 1975. After CHISSANO came into power he also announced a number of drastic political changes, which is an indication of the extent to which he has already established his position within the Party and government.

4. *INCREASE IN TRAFFIC FLOW VIA THE BEIRA CORRIDOR*

The Managing Director of the Beira Corridor Authority (BCA), Mr Eddie CROSS, said in Harare, Zimbabwe, on 22 June 1987 that at present the Beira Corridor handles 25 percent of the rail traffic of the southern African states, compared with 10 percent in 1984. CROSS warned, however, that should too much traffic be channelled via this route, it could cause the accumulation of goods owing to the fact that Beira harbour's handling facilities are in poor condition.

5. *COOPERATION WITH THE GDR WITH REGARD TO FISHING*

On 14 May 1987 the German Democratic Republic (GDR) signed a new fishing cooperation agreement with Mozambique in accordance with which East German trawlers may fish in Mozambican waters and Mozambicans will be trained in fishing techniques. By the end of 1987 32 Mozambicans will already have received training in fishing in the GDR.

6. *CONSTRUCTION COOPERATION WITH THE GDR*

The joint GDR-Mozambican Sub-Commission for Construction met in the middle of May 1987 in Maputo in preparation for a cooperation protocol in this field. The German Democratic Republic (GDR) is presently supplying support for the building of 300 houses in Maputo and is also training Mozambican technicians in the building industry.

7. *STATEMENTS BY MINISTER*

The Mozambican Minister of Transport and Communications, Armando GUEBUZA, said in Harare on 30 June 1987 that Mozambique had decided to reduce its Defence Force troops and to improve the command. *Remark* : The planned reduction in FAM's troops forms part of the restructuring and reorganising of the army in an attempt to act more effectively against RENAMO.

8. *FRELIMO REJECTS NEGOTIATIONS WITH RENAMO*

On 27 June 1987 the Director of FRELIMO's Party School and Director of the Centre for African Studies at the Eduardo Mondlane University, Sergio VIEIRA, launched an indirect attack on the Roman Catholic bishops of Mozambique who recently requested the FRELIMO government and RENAMO to negotiate. During a mass rally at this university VIEIRA condemned all "revolutionary and fascist voices who insist that the population should capitulate and subject themselves to racism and tyranny". He added that these are the voices of people who are trying to bring about reconciliation with the "terrorist bandits".

DATE OF INFORMATION : July 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0660

DATE : 23 July 1987

ANGOLA : RECENT EVENTS

1. *COLLABORATION AGREEMENT WITH THE USSR*

On 7 June 1987 Angola and the USSR signed (during the 11th session of their Joint Committee for Fishing held in Moscow) a new protocol for collaboration in the field of fishing. *Remark* : No further details are available.

2. *DONATIONS OF CHOLERA VACCINE*

a. During June 1987 Angola received 900 000 doses of cholera vaccine from the Soviet Union, and another 300 000 from Portugal and Spain.

b. REMARK : This could indicate that the present incidence of the cholera epidemic in Angola is considerably more serious than the outside world was made to believe.

3. *SWEDISH AID*

a. On 9 June 1987 Sweden allotted US$5 million to Angola, i a for the purchase of foodstuffs, medicine and seed.

b. REMARK : Up to now during 1987 Sweden has granted Angola about US$23 million for the development of health services, fisheries, transport and communications, which means that Sweden's total financial aid to this country since the latter's independence amounts to approximately US$150 million.

4. *COLLABORATION AGREEMENT WITH VIETNAM*

On 15 June 1987, during the second session of the Angolan and Vietnamese Joint Commission for Techno-economic Cooperation in Luanda, Angola, these two countries signed an agreement for economic and technical collaboration. In accordance with this, Vietnam will render technical aid to Angola in the fields of

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education and health. *Remark* : Currently there are 152 teachers, 74 health technicians and about 2 000 agricultural advisers from Vietnam rendering service in Angola.

5. *FOREIGN MINISTER VISITS WEST AFRICA*

The Angolan Foreign Minister, Mr Alfonso VAN DUNEM, was to have left Angola on 17 June 1987 to visit West Africa to have talks with the Heads of State of Senegal, Cameroon, Gabon and the Ivory Coast, acting as Angolan Pres DOS SANTOS' special envoy to deliver to the various leaders a message that will have a bearing on the situation in southern Africa and the latest initiatives on the part of Angola for the achievement of a peaceful settlement in SWA.

6. *MEETING OF THE CENTRAL COMMITTEE*

On 23 June 1987 the Central Committee of the MPLA commenced its customary half-yearly meeting in Luanda. Aspects to be discussed were the military and political situations in Angola as well as the degree to which the Party's main resolutions were carried out since the Central Committee's previous meeting. *Remark* : The Central Committee meets twice a year - usually in June/July and November/December. The members of the Central Committee are appointed by the MPLA Congress and they are responsible for general policy. The Central Committee controls all government activities and those of the armed forces, and is responsible for the appointment of senior government officials.

DATE OF INFORMATION : July 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0650

DATE : 23 July 1987

ZIMBABWE : RECENT EVENTS

1. *BARTER AGREEMENT WITH CUBA*

a. On 26 June 1987 Zimbabwe and Cuba signed a barter treaty in Harare whereby Cuba will supply Zimbabwe with salt, stationary, explosives, pharmaceutical products, medicines and agricultural equipment.

b. REMARK : According to an existing economic collaboration agreement between Zimbabwe and Cuba, the latter sent teachers to Zimbabwe, while Zimbabwean teachers were trained in Cuba. No information is available as to the products Zimbabwe will deliver to Cuba in terms of the new agreement.

2. *INCREASE IN 1986 EXPORT EARNINGS*

During 1986 Zimbabwe's export earnings (gold and re-export excluded) amounted to US$1,7 billion, which represents a 10 percent increase as compared with 1985.

3. *COMPULSORY USE OF BEIRA HARBOUR*

Since the beginning of June 1987 the Zimbabwe government has been compelling importers and exporters to make use of the Beira harbour in Mozambique for all barter transactions.

4. *TAKE-OVER OF DELTA CORPORATION ENVISAGED*

a. The Zimbabwe government recently resolved (in principle) to purchase about 51 percent of the South African Breweries' (SAB) shares in the Delta Corporation in Zimbabwe, thus acquiring a total shareholding of 31,5 percent in this corporation. The Zimbabwe government will furthermore endeavour to extend this to an ultimate shareholding of between 50 and 60 percent in Delta by purchasing shares from minor shareholders.

b. REMARK : The Delta Corporation, which has interests in the hotel business, breweries and supermarkets, is currently one of the most successful enterprises in Zimbabwe. The SAB currently holds 61 percent of Delta shares.

5. *PURCHASE OF HELICOPTERS*

Zimbabwe recently bought 14 Alouette helicopters from France. These are due for delivery between 22 June 1987 and 23 May 1988. *Remark* : Eight of these machines will be delivered to Zimbabwe before the end of November 1987.

6. *VISIT BY SOVIET ASTRONAUT*

Since 22 June 1987 a Soviet astronaut, who is the leader of a Soviet Peace Movement delegation, had been in Zimbabwe on a seven day visit, which is aimed at promoting contact between peace organisations in the USSR and Zimbabwe.

7. *MUGABE VISITS THE USSR*

On June 24, 1987 Premier Robert MUGABE left for the USSR to attend a congress and to have talks with the Soviet leader, Mikhail GORBACHEV. *Remark* : MUGABE's last visit to the USSR was in December 1985.

8. *TALKS WITH THE ANC ON THE UTILIZATION OF TERRITORY*

a. According to unconfirmed reports Zimbabwe's Minister of Security, Mr Emerson MUNANGAGWA, held talks with Oliver TAMBO on 14 June 1987 in Harare on the ANC and the utilisation of Zimbabwean territory for actions against South Africa, amongst other things.

b. COMMENT

MUNANGAGWA probably once again asked TAMBO to keep the Zimbabwean government continually informed of any planned actions by the ANC.

DATE OF INFORMATION : July 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0587

DATE : 18 June 1987

SAASC : SUPPORT FOR ANC REAFFIRMED

At a public commemoration of African Freedom Day held in Moscow on 25 May 1987 the Chairman of the Soviet Afro-Asian Solidarity Committee (SAASC), reaffirmed the Committee's unconditional support for the ANC and SWAPO. A resolution was also adopted demanding the release of Nelson MANDELA, Walter SISULU, Govan MBEKI and other "political prisoners" in South Africa and SWA/Namibia.

DATE OF INFORMATION : June 1987
RELIABILITY GRADING : 2

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REFERENCE : B/0768

DATE : 30 July 1987

TAIWAN : NEW SECRETARY-GENERAL OF THE KMT

1. LEE Huan (70), Taiwan's Minister of Education, was elected Secretary-General of the ruling Kuomintang (KMT) party on 1 July 1987.

2. ELUCIDATION AND COMMENT

   LEE was previously Director of the important China Youth Corps (CYC) and the KMT's Department of Organisation Affairs, as well as Head of the Sun Yat-sen University. Since he supports reform, his appointment to this important position can be seen as further proof of President CHIANG's determination to initiate internal reform.

DATE OF INFORMATION : July 1987
RELIABILITY GRADING : 2

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SECRET *Inglés*

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REFERENCE : B/0649

DATE : 23 July 1987

PAC : DISAGREEMENT WITH THE ZIMBABWEAN GOVERNMENT

1. According to unconfirmed reports, the PAC is considering to operate in future mainly from Tanzania against the RSA owing to tense relations with Prime Minister Robert MUGABE of Zimbabwe. The latter is a result of alleged prostitution and drug running by some senior PAC representatives in Zimbabwe. *Remark* : The PAC will still operate to a lesser degree from its office in Zimbabwe.

2. **ELUCIDATION AND COMMENT**

   a. The alleged prostitution and drug running by PAC members is causing an increasingly strained situation between the older and younger members of the organisation, which could probably restrict its activities.

   b. These tense relations are also connected with the deportation of eight PAC members from Zimbabwe to Tanzania during February 1987 after they were found guilty of criminal activities.

3. **REQUEST**

   Any information regarding the PAC as well as confirmation of the abovementioned information would be valued.

DATE OF INFORMATION : June 1987
RELIABILITY GRADING : 2

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RELS/87/0587 1 April 1987

IRAN/IRAQ:

THE MILITARY BALANCE

1. The initial Iraqi invasion of September 1980 resulted in the seizure of substantial areas of Iran, but by mid-1982, Iran had largely recovered its lost territory and the land war has since been conducted in areas close to the original border. Each side currently holds roughly equal quantities of each other's national territory. The war on land has become comparitively static, characterised by periods of inactivity interspersed with Iranián attacks. Some of these have succeeded in threatening strategic targets in Iraq before being blocked, normally by the armoured formations of the Iraqi Republican Guard. Behind the front line, Iraq has sporadically widened the conflict by attacking Iranian cities, economic targets, and shipping involved in Iran's oil trade. Each series of Iraqi attacks, though sometimes intensive, usually ends as a result either of Iranian retaliation or Iraqi failure to maintain pressure, possibly under internal influence.

2. In their land operations the Iranian tactics have been to use massed, fanatical infantry, either Revolutionary Guards or Basij (very young and elderly volunteers outside military age, who are given limited training and attached to Revolutionary Guards for short periods), or both, supported by regular artillery, and sometimes armour in a fire support role. The Iranian regular army is starved of resources to maintain or modernise its equipment, and only carries out limited /operations. ...

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operations on its own. Iranian successes have generally occurred in territory suitable for infantry but difficult for armour, such as marshes, land criss-crossed with waterways, groves of date palms, or in mountain areas. In the northern mountains they have had the support of the Kurdish irregulars. Wherever Iranian infantry has had to move on to better ground, Iraq's supremacy of armour has forced them back. Additionally, Iraq's superior mobility, using a good road network and large tank transporter fleet, combined with good staff planning, has enabled it to move centrally-located reserves quickly to oppose threatened areas. In static defence, the Iraqis in the most forward positions have not performed particularly well, especially at night, in spite of extensive earthworks with tanks deployed in a 'pill-box' role.

3. Iran makes best use of its infantry when winter rains flood the marshy areas and cloud inhibits Iraqi air attacks. During the spring the crossing of major water obstacles becomes more hazardous, while the extreme summer heat probably favours the defenders. Most successful Iranian attacks have been in the winter or spring, but minor attacks have occurred at all times of the year in all weathers.

4. In a tactical sense, Iran has often initially taken Iraqi forces by surprise, but it lacks the capacity to turn local battlefield successes to significant strategic advantage. Poor logistic support hampers the Iranian forces. In addition, there is a shortage of long range artillery and an almost total lack of air support. Iran tries hard to buy major items of equipment to redress the balance, but tends to be thwarted by political embargoes. China and North Korea are /now. ...

now providing some equipment, but training problems and compensatory purchases by Iraq will seriously reduce the effect. In strategic terms, therefore, the ability of the Iranians to exploit immediate successes will remain questionable.

5. The Karbala 5 offensive began on 9 January and continued until at least early March. This has been the longest sustained Iranian attack of the war, largely due to improved stockpiling beforehand and to the static nature of the fighting, rather than to any improvement in Iran's logistic mobility. Mounted from Fish Lake, it was directed against Iraq's second city, Basra, on the other side of the Shatt-al-Arab. It is potentially serious for Iraq because of the political importance of Basra and, in conjunction with the Al Fao bridgehead, the re-supply routes from Kuwait to Iraq. However, both sides are now dug into defensive positions facing each other on the line of the Jasim river and across the Shatt-al-Arab.

6. Both sides have suffered high casualties during the unusually intense fighting: total Iranian casualties may be 45,000, and the corresponding Iraqi figure is probably about 20,000. Iraqi willingness to accept such high losses is rare and indicates the importance which it attaches to the defence of the area. Iraq has lost at least 40 aircraft since the New Year, most of them in the combat zone. Iraq has been obliged to reinforce Basra and the southern areas to an unprecedented level.

7. Although Iran has gained little ground and no major objectives have been taken, Basra is now within more effective

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artillery range. Most of the population have left, but some may return now that the situation is quieter. Iran has several options. It could reinforce the new salient, attempting further progress west towards the city and south across the Shatt against extensive Iraqi defences and heavy troop concentrations. It could attack elsewhere along the border in an area it judges to be weakly defended, or it might choose to regroup and reorganise for an extended period before continuing the Karbala series.

8. Iranian Strategy

The Iranian leadership has stated that its principal intention in the war is to topple SADDAM HUSSEIN. It believes it can achieve this by inflicting reverses and humiliations which will ultimately lead to his fall. It does not see the total defeat of the Iraqi army and possession of the major cities as essential to success, although it would prize highly the isolation of Basra, with the potential for setting up an Iraqi Islamic Republic in the south, in view of its symbolic proximity to the holy cities of Karbala and Najaf. Iran also realises the value of attrition against Iraqi manpower, which is in shorter supply than Iran's.

9. Iran hopes to persuade Iraq's backers in the Gulf to cease or reduce support for the SADDAM HUSSEIN regime. It threatens Gulf States verbally and by occasional acts of violence. It retaliates against Iraqi attacks on its oil infrastructure, particularly by attacking ships dealing with Kuwaiti and more recently, Saudi ports unless escorted by, or in the proximity of warships of foreign powers. But Iran has always been careful to avoid extending the war too widely in the Gulf /region. ...

region, which might encourage other states to give Iraq more direct military assistance. Iran recognises that greater super power or Western involvement might bring pressure for a compromise solution which would undermine the momentum of revolution, and thereby the standing of the Iranian government. The recent preparation of SILKWORM coastal defence missile sites around the Straits of Hormuz will give Iran an increased capability of interdicting shipping. Since selective targetting would be difficult in the congested area of the Straits, the danger of an Iranian missile striking the wrong merchant ship, or a warship of the foreign powers now patrolling the Straits, increases the risk of internationalising the conflict. The Iranians must be aware of these problems, and would therefore probably use this weapon offensively in the last resort - for example, if their oil exports were seriously affected by Iraqi attacks.

10. Iraqi Strategy

Iraq does not believe that it can force a military victory. Its aim is self-preservation, by demonstrating to the Iranian government and people the futility of trying to achieve a total victory, and thereby forcing Iran to the negotiating table. Each Iranian offensive has been blocked, usually with some loss to Iraq of its territory and its limited manpower resources, but Iraq has rarely taken the initiative on land. In the air, however, Iraq uses its massive superiority selectively to place pressure upon the Iranian economy and population, while regularly offering the olive branch of a negotiated settlement.

11. Throughout the war, the balance has tilted in favour of

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one side and then the other. Iranian offensives, which they can launch anywhere along the 1,400 km border, threaten Iraqi territory and send ripples of nervousness through the Gulf States and the Arab world. Iraq responds by using its air power to threaten the Iranian economy. Either side can quickly gain the initiative, until exhaustion or a counter-move by the other side changes the balance.

12. The position of SADDAM HUSSEIN and his hold on power are critical to Iraq's successful continuation of the war. The President's position remains strong because of his ruthless suppression of opposition, the lack of any obvious rival, and the need for a strong leader at a time of national crisis. He retains the support of the extremely powerful Ba'ath party and the armed forces. Even the fall of a strategic objective such as Basra might not be enough to topple him. In this respect the pace of events is important, since the Iraqis have shown that they can adjust to gradual bad news. Even after the stresses of Karbala 5, there are no signs of a serious lack of morale in the army. There is war-weariness amongst the middle classes in Baghdad and some murmuring against the regime. Most families in Iraq have suffered losses in the war. But fear of the Iranians is a powerful counter-balance and the population generally sees little alternative to continuing the war.

13. The Iranian leadership is still firmly in KHOMEINI's hands, despite his fading health. After KHOMEINI's death his successors are not expected to change general policy while they establish their authority. There remains strong support for the war, which is closely identified with the revolution, /and. ...

and the families of the 'martyrs' will not willingly accept that their sacrifice has been in vain. At a later stage some people may well speak in favour of stopping the war, but this will be in the context of a likely power struggle, whose outcome cannot yet be predicted.

14. The Military Balance

Iraq's advantages remain those of equipment superiority and re-supply. Its largely Soviet and French assets give it an 5 to 1 advantage in tanks and about the same in fixed-wing combat aircraft. It enjoys substantial financial backing from Saudi Arabia and Kuwait, who have little option but to continue to buy their way out of what they see as direct and imminent danger from Iran. The Soviet Union will probably waive payments, if necessary, in order to avoid an Iraqi defeat, but is most unlikely to upset the overall balance in the region by providing longer-range and more effective offensive systems, such as SS12 (SCALEBOARD) or FENCER SU-24 light bombers.

15. Iraq is fighting on its own territory in a weak position - it has limited manpower resources and lacks strategic depth and room for manoeuvre. There is no worthwhile military objective within Iraqi reach, and no wish to repeat the error of 1980 by attacking deep into Iran. Iraq has used chemical weapons from time to time. Mustard gas caused well publicised Iranian casualties in 1986 and remains available to counter Iranian mass attacks if necessary, but it does not appear to have been used in any quantity in Karbala 5.

16. Iran's strengths and vulnerabilities are the converse of Iraq's. It has very large manpower resources, fired by

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Islamic fervour. Its heartland is reasonably secure from land attack, but its inadequate air defence makes the economy and infrastructure highly vulnerable. It lacks a secure source of material support. The Iranians have neither sufficient front line aircraft nor tanks (nor the necessary logistic back-up) to achieve a general breakthrough. Iran has claimed the moral high ground by refusing to use chemical weapons, but may have some mustard available.

17. The Economic Balance

Economic factors could tip the balance between the adversaries. Both sides are benefitting from the partial recovery in oil prices, but realise that economic problems could seriously undermine their respective capability to sustain the 'home front'. Anti-shipping attacks by both sides continue almost independently of the land war. Iraq tries to damage Iran's oil export capability by attacks against shuttle tankers in the Gulf and related oil installations. There have also been a few long-range air missions to the southern Gulf but Iraq has so far managed to cut Iran's oil export volume to a third for only short periods. The four Chinese BADGERS now in the hands of the Iraqis will, when operational, be able to hit Iranian marine targets with an improved missile at ranges as far as the Indian Ocean. Iran's attacks against shipping have mainly been responsive, aimed at persuading the Gulf States, particularly Kuwait and Saudi Arabia, to change their policies from helping Iraq in its attacks in the Gulf, to discouraging them.

18. Despite recent improvements in their air defence capabilities, the Iranians do not have sufficient resources /to. ...

to provide adequate protection for their domestic and oil export infrastructures. Until the middle of 1986, Iraq was puzzlingly hesitant over the use of its superior air power, possibly through reluctance to risk air losses, or because of pressure from Gulf States nervous over Iranian reactions. From August to December 1986, however, Iraq carried out a punishing series of air attacks on Iranian oil facilities and power stations, at times reducing Iran's export capacity to 0.5 million barrels per day (bpd), against an average in 1985 of 1.5 million bpd, and reducing domestic refinery capacity by at least 65 per cent and generating power by 20 per cent. These selective attacks ceased in January during the Karbala 5 battle, probably because of urgent demands for air support for the troops fighting near Basra, and because the Iraqis believed that intensive air attacks on the Iranian population would have a more immediate impact on the resolve of the Iranian government. It remains to be seen whether the Iraqis, when freed from the constraints of the latest round of fighting, will embark on a new economic offensive. (Attacks on Kharg Island, two tankers and a number of oil installations on the mainland on 22 and 23 March suggest that this has now begun.)

19. For the Iraqis, the fighting near Basra must reawaken the fear that at some point the Iranians could make a breakthrough in the area to the south of the city and disrupt the operations of the Rumaila and Zubair oilfields, which currently provide one-third of the country's export revenues. The important road link from Kuwait along which the bulk of Iraq's arms imports, as well as many essential civilian goods pass, could also be threatened. (However, a new road 30 kilometres

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to the west, and the possibilities of diverting imports via Qadimah on the west of Saudi Arabia, or by way of Aqaba in Jordan, reduce this threat.) Iraq is virtually insolvent, with external debts of over 20 billion dollars, excluding probably unrecoverable debts to Kuwait and Saudi Arabia. (Iran's foreign assets roughly match its external debt.) Iraq remains dependent on the financial backing of Saudi Arabia and, to a lesser extent, Kuwait, and on the logistic facilities offered by these countries. While they may occasionally press Iraq to restrain attacks on Iranian targets, for fear of possible retaliation, because of their misgivings over Iranian expansionism Iraq will probably be able to continue counting on their support. This will not deter them from trying to develop relations with Iran.

20. Despite Karbala 5 and the Iranian presence so close to Basra, there has been no substantial change in the strategic balance. The Iranian government will perceive the recent fighting east of Basra as a victory. But the Iraqi population has adjusted to the new reality, and the alarm caused in the Gulf States will have maintained Kuwaiti and Saudi support for Iraq. SADDAM HUSSEIN has no option but to play for a draw. He will continue to try and keep casualties and territorial losses low, whilst emphasising the cost of the war to the Iranian people by further air attacks on the economy and the population. Iraq will also continue to seek international support for its attempts to end the war on its own terms. Iran is unlikely to agree to mediation while it considers its war objectives can be attained. Even after KHOMEINI's death, Iran will probably try to force a solution through offensive action while the successors establish their authority. Thereafter the conduct of the war will depend on the outcome of the power struggle in /Tehran. ...

Tehran.

21. The prospect of a breakthrough in strategic terms on either side is remote. The balance will continue to swing, but there is little likelihood of an early end to the war, nor of any decisive change in the near future in the balance of advantage for either side.++

CARP. 135C

135/C ENLACE ALEMAN

ENTRE LOS Nos

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VS-NUR FÜR DEN DIENSTGEBRAUCH

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Archivo en Argentina cruzar c/ URSS.

135/C

MELDUNG | WIR

		14.07.1986
TgbNr	208/86 VS-NfD	

Titel	UdSSR: Getreideimportpolitik

JUNTA DE COMANDANTES EN JEFE
SERVICIO DE INFORMACIONES DE LAS FF AA
DEPARTAMENTO II (EXTERIOR)
Fecha de Entrada 27/10/86
Fecha de Salida
Pasa a Sec/ Archivo
N°. de identificacion 2468/86

Zeit der Festst.	06/86	Bewertung	F - 3
Kurzfassung			

- siehe Meldungstext -

01.05

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Meldung:

Im Getreidehandelsjahr 1985/86 (Juli/Juni) hat sich die UdSSR erstmalig nicht an die mit Argentinien vertraglich festgelegten Vereinbarungen gehalten.
Ein im Dezember 1985 verlängerter mehrjähriger Vertrag sieht jährliche argentinische Lieferungen von 3 Mill. t Mais, 1 Mill. t Sorghum und 0,5 Mill. t Sojabohnen vor. Es wurden jedoch in der abgelaufenen Periode insgesamt nur 0,6 Mill. t Mais von der UdSSR abgenommen. Die Gründe für den Vertragsbruch der UdSSR sind in den anhaltenden Schwierigkeiten bei der Verschiffung des argentinischen Getreides (geringe Umschlagskapazität der Häfen) sowie in der unausgeglichenen Handelsbilanz beider Länder zu sehen. Argentinien zögert bislang, im Gegenzug für seine Getreidelieferungen die von der UdSSR angebotene technische Unterstützung (z.B. beim Hafenausbau) zu akzeptieren.

Anmerkung:

1. Der Gesamtumsatz im Handel zwischen der UdSSR und Argentinien belief sich 1985 (nach sowjetischen Angaben) auf 1292,3 Mill. Rubel. Davon entfielen auf den Import der UdSSR allein 1229,9 Mill. Rubel (ca. 95 % des Umsatzes).

2. Ähnlich wie gegenüber Argentinien verhält sich die UdSSR gegenüber ihrem Hauptlieferanten USA. Der laufende mehrjährige Vertrag über die Lieferung von insgesamt mindestens 9 Mill. t Getreide pro Jahr (Oktober/September), davon je 4 Mill. t Weizen und Mais, wird mit großer Wahrscheinlichkeit in Teilbereichen nicht erfüllt werden. Bisher wurden erst 153 000 t Weizen geordert. Die zuständigen sowjetischen Stellen haben deutlich gemacht, daß sie nur im Bedarfsfall die Vertragsabsprache einhalten werden. Schon 1984/85 war der Weizenkauf der UdSSR von den USA um mehr als 1 Mill. t hinter der Vertragsmenge zurückgeblieben.

3. Das sowjetische Verhalten verdeutlicht die starke Position des weitaus größten Kunden auf dem unter anhaltendem Angebotsdruck stehenden Weltmarkt. 25 % des Handelsvolumens des Weltgetreidemarktes entfallen auf die UdSSR. Sie hat sich die Lieferung von ca. 20 Mio. t, d.h. nahezu zwei Dritteln ihres derzeitigen Jahresimportbedarfs an Getreide, durch mehrjährige Verträge mit den wichtigsten Produzenten gesichert.

4. Die Tatsache, daß nicht einmal diese Verträge eingehalten werden, läßt u.a. den Schluß zu, daß die Ernteerwartungen der UdSSR - wie offiziell betont - tatsächlich höher liegen als die Vorjahresernte (geschätzt 190 Mill. t) und die diesbezüglichen westlichen Schätzungen*) (zwischen 165 Mill. t und 190 Mill. t). Die z.T. ergiebigen Niederschläge der letzten Zeit in wichtigen Produktionsgebieten (z.B. Süd-Ukraine) nach mehrwöchiger Trockenheit könnten noch ertragssteigernd wirksam geworden sein.

5. Die angespannte Devisenlage der UdSSR läßt eine zeitweilige Zurückhaltung auch bei Agrarimporten aus dem Westen möglich erscheinen. Nach bisheriger Erfahrung wurden i.d.R. jedoch bei Devisenknappheit eher die Technologieimporte aus dem Westen als die zur Aufrechterhaltung der Grundversorgung unerläßlichen Nahrungsgüterimporte reduziert.

6. Nach hiesiger Einschätzung kann weiterhin mit einer Getreideernte der UdSSR von ca. 190 Mill. t und Getreideimporten von kaum mehr als 32 Mill. t gerechnet werden.

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*) Ertragseinbußen werden vor allem bei Weizen erwartet.

INFORME:

Por primera vez en lo que va del año 1985/86, la Unión Soviética se apartó de las obligaciones contraídas con la Argentina en el comercio de cereales.

Un contrato de varios años, que fue prolongado en diciembre de 1985, preveía la entrega anual, por parte de Argentina, de 3 millones de toneladas de maíz; 1 millón de toneladas de sorgo y medio millón de toneladas de soya. Sin embargo, lo que la Unión Soviética compró fue tan solo 0.6 millones de toneladas de maíz.

Las causas esgrimidas para la violación del contrato fueron la permanente dificultad para el embarque de los cereales argentinos y el desequilibrio de la balanza comercial entre los dos países. Por su parte, Argentina ha vacilado en aceptar, como contrapartida, la oferta soviética de apoyo tecnológico.

COMENTARIO:

1.- En 1985, el comercio entre la Unión Soviética y la Argentina llegó, según datos soviéticos, a los 1.292.3 millones de rublos; de los cuales 1.229.9 millones de rublos correspondieron a importaciones de la Unión Soviética (95% del total).

2.- La Unión Soviética adoptó una posición similar a la sustentada ante Argentina frente a Estados Unidos, su principal proveedor.

El contrato vigente actualmente, establece el suministro de 9 millones de toneladas de cereales por año (octubre/setiembre), de ellos, 4 millones corresponden a trigo y maíz. Hasta ahora, sólo 153.000 toneladas de trigo fueron solicitadas.

Las autoridades soviéticas competentes aclararon que cumplirían con el contrato solamente en caso de necesidad. Ya en el año 1984/85 las compras de cereales de la Unión Soviética a los Estados Unidos, fueron 1 millón de toneladas menos que lo estipulado.

3.- El comportamiento de la Unión Soviética se adecua a la presión de la oferta en el mercado mundial. El 25% del volumen del comercio del mercado mundial de cereales pertenece a la Unión Soviética. Este país, se aseguró 20 millones de toneladas, o sea casi las dos terceras partes de sus necesidades anuales de importación de cereales se las ha asegurado por contrato con los más importantes productores.

4.- El hecho de que estos contratos no sean respetados, permite concluir que las expectativas de las cosechas en la Unión Soviética, como oficialmente se recalca, serán más altas que las del año anterior (se estiman 190 millones de toneladas).

5.- La difícil situación en cuanto a la disponibilidad de divisas, determinaría que el país se limite a la importación de productos agropecuarios desde Occidente. Los soviéticos se inclinarían por reducir la importación de tecnología y no la de alimentos.

6.- Según estimaciones locales la cosecha podría llegar a 190 millones de toneladas y las importaciones de cereales no serían superiores a 32 millones de toneladas.

URSS

VS-VERTRAULICH
amtlich geheimgehalten

05 September 1986

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SUPPLEMENTARY ECONOMIC REPORT

TgbNr.: 1667/86 VS-S

Subject : USSR - Economic Objectives and Prospects of the 1986/90 Five-Year Plan

Cutoff Date : August 1986

Summary:

- See page I -

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Summary

1. The 12th Five-Year Plan (1986/90) provides for ambitious economic growth targets.
   The growth rate of the national income (22.1%) is to exceed that of the 1981/85 Five-Year Plan, when it rose by 16.5%.
   The same applies to industrial production, which in 1990 is to be 25% higher than in 1985 (1981/85: 19.6%).

   In the agricultural sector the "food program" of 1982 is still valid, even though for some main products the average annual production volume is now to be reached only in 1990.

2. The economic growth is to be achieved almost exclusively by increases in productivity and, according to the intensification of the economy claimed by GORBACHEV, by means of savings of resources.
   At the same time it is envisaged to raise investments by 23.6% (1981/85: 15.4%) and use them primarily for the reconstruction and technical conversion of existing plants. The investments in the energy and fuel sector, in the chemical industry and in mechanical engineering are to rise above average. The agricultural sector will maintain its current share (approx. 33%) in the overall investments.
   In view of the large-scale investment projects in the civilian industrial sector defense spending is not expected at present to rise by more than 3% annually. This growth rate is still in line with the overall economic development.

3. In the various branches the following development/plan fulfilment is discernible until 1990:

3.1 Agriculture:

In the agricultural sector the envisaged targets cannot be fully realized. Aside from deficiencies inherent in the system, the planned procurement of means of production and farm equipment (i.a. mineral fertilizers, agricultural machinery) makes production increases to the planned extent rather unlikely. Grain imports will remain necessary also after 1990, though to a lesser extent.

3.2 Energy sector:

Production of the individual sources of energy cannot be raised to the planned extent by 1990. Power production of the nuclear power plants will fall short of the planned target as well. Energy bottlenecks are therefore likely until the end of the decade. It is to be expected that, particularly in the winter half-year, precarious supply bottlenecks will occur in thermal and electric energy, which will lead to temporary power cuts in the private households. The planned electrification of the railroad network is likely to slow down as well.

3.3 Iron and steel industry:

In the iron and steel sector the planned growth of production will not be fully reached. Whereas production of mass-produced steels will meet the requirements, imports of sheets and special steel sections as well as of large-diameter pipes will remain necessary.

3.4 Non-Ferrous metallurgy:

The prospects of non-ferrous metallurgy are relatively good. It is expected that the projects in this sector will be largely realized.

3.5 Metalworking industry:

Soviet plans do not inform about military production. Civilian mechanical engineering is in the focus of the modernization efforts of the Soviet economy. Measured by its current technological standards, this sector is to provide a much more effective production basis for capital goods. In the face of the competing requirements of many economic branches it is assumed that the investments in the armament industry are currently stagnating.
The production targets of the civilian mechanical engineering sector cannot be fully realized. Its prospects will also depend on whether it will succeed in making a new qualitative approach with regard to an upswing of capital goods production (i.a. stepped-up introduction of qualitative key figures at the expense of quantitative planning, stepped-up responsibility of the works managers, stepped-up material incentives).

4. The objectives of the 12th Five-Year Plan cannot be fully realized. Each additional burden imposed on the national economy by expenditures which were not planned from the beginning (e.g. defense expenditure) would disturb the unstable equilibrium of the economy and have negative effects on growth and private consumption.
In general, however, the growth dynamics of the economy is likely to improve as a result of the activation campaign of the Soviet leadership and organizational changes in the economic and planning apparatus.

USSR: Economic Objectives and Prospects of the 1986/90 Five-Year Plan

I. Contents of the Five-Year Plan

1. Global figures

According to the published plan targets increased growth rates in the "main fields of the economic and social development of the USSR for the years 1986 to 1990 and for the period until the year 2000"*) are envisaged in almost all economic areas, except for the agricultural sector.

1.1 By 1990 the national income employed is to exceed the 1985 result by 22.1%, i.e. it is to rise to a much greater extent than between 1981 and 1985 (16.5%). According to the plan the rise in the national income by 4.1% on an annual average is to be produced almost exclusively by stepping up productivity and by saving resources. The economic growth is therefore dependent on the success of GORBACHEV's much vaunted intensification strategy.

1.2 The increase in industrial production is rated at 25% (1990); also here the growth of the preceding five-year plan period of 19.6% is to be exceeded to a considerable extent. For consumer goods production a 27% growth is envisaged, the capital goods industry is to rise by 24.3%. For the first time since the sixties prominence has again been given to the fact that the heavy industry "is and remains the basis of the Soviet economic capacity" and has to be "strengthened".

*) Draft of the five-year plan and the long-term development directives published in November 1985

1.3 Gross agricultural production is to be raised by 14.4%.*)
Measured by the 1981/85 average of 6%, this is an ambitious target as well.

1.4 As far as investments are concerned, the 12th Five-Year Plan provides for a 23.6% increase; the share of the investments in the national income used at home will therefore increase to 27.6% (1981/85: 25.1%) at the expense of the consumption quota.
The investments are to be mainly used for the technical conversion of the existing plants.
Unlike the past it is planned to no longer finance 50% of the investments by bank credits but by company profits, which calls for economical management.
An above-average investment growth rate was planned for the fuel and energy sector, mechanical engineering and the chemical industry.
Compared with Western economies the planned accumulation rate is high, which, however, does not necessarily point to a tigthening of Soviet domestic policy. Until the early eighties the USSR had accumulation rates of 26-28%. It remains doubtful whether an additional increase in the already large-scale investments can be avoided by careful management.

1.5 The standard of living of the population, too, is to be raised. It is planned to significantly increase the pro-du-ction of consumer goods as well as services and house building. The consumer goods program of October 1983, which provides for a long-term improvement of the supply with consumer goods, is no longer expressly confirmed under the 1986/90 plan though.

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*) Growth of the 1986/90 gross agricultural production relating to the 1981/85 average result

1.6 The published parts of the 12th Five-Year Plan do not contain statements on the development of the defense sector. According to Western estimates the Soviet overall defense expenditure will rise by an average of approx. 3% p.a. in the medium run. This value may be still looked upon as being in line with the overall economic situation. Clearly higher growth rates of the defense expenditure are currently little probable, even though this possibility must not be ruled out. An important factor is the Soviet perception of the "outward threat". However, additional defense expenditures (e.g. with regard to SDI) would restrict the chances of realizing plans for the consumer and service sectors as well as the leeway for civilian investment projects (e.g. opening-up of the Siberian area and modernization of the capital goods industry).
What is certain is that the requirements of the military sector again enjoy absolute preference over the other sectors of the Soviet economy.

II. Planned development in key areas of the Soviet economy

1. Agricultural sector

As far as the above-mentioned 14.4% growth of agricultural production is concerned, the reduction of production, transport and storage losses plays an important part. Modern production methods and technologies will be used to an increasing extent. By 1990 the supply of the agricultural sector with mineral fertilizers is to rise to 30-32 million t (nutrient content) (1985: plan 25 million t; actual figure: 23.3 million t). With regard to organization, it is planned to streamline the agricultural central administration, to partly decentralize the production level (company contracts, piece-work pay) and to partly shift responsibilities to the Union republics.

For the agricultural products the original production average of the years 1986/90 stipulated in the "food program" *) of 1982 is valid only from 1990 on. This means a considerable reduction of the plan vis-à-vis the targets of this program.
(see Table 1).

1.1 Investments in the agro-industrial complex

The current share of the investments in the agro-industrial complex (about 33%) in the overall investments is to be maintained. At the same time the reorganization of the allocation of investment funds in favor of the supplier and processing industries is continued. The investment priorities/projects include the production of mineral fertilizers, insecticides, fodder concentrates as well as food processing (mainly milk and meat).

1.2 Prospects

The agricultural plan is unlikely to be fully realized. In view of the anyway scarce capital funds of the agricultural enterprises new gaps will arise in the production sector itself as soon as the investments have increasingly been shifted to the sectors serving and served by agriculture.

For this reason a growth of agricultural gross production would have to be based primarily on the increase in the yields and the positive effect of organizational changes.

Such changes are difficult to be translated into reality. The existing bottlenecks (e.g. in the supply with means of production) can at most be mitigated but by no means be removed. The problems of the supply with fertilizers will continue.

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*) Program still initiated by BREZHNEV for increasing agricultural production and improving food supply

The most important agricultural production target - the continuous increase of the grain crops to 250 million t by 1990 - thus remains unrealistic. In the preceding five-year plan period an average annual grain crop of only 179 million t was produced (plan 238 - 243 million t p.a.). The 1986/90 average crops are likely to even fall short of the 1981/86 plan targets. Grain imports will therefore remain necessary, though to a lesser extent.

In animal production, whose fodder grain basis is enlarged by imports, the milk and egg production targets have to be reached. For meat production 20 million t by 1990 appear more realistic than the plan target of 21 million t. Per-capita consumption of meat would thus increase from 61 kg (1985) to 68 kg (1990). In general, food supply is expected to improve by 1990; bottlenecks in the supply of high-grade foodstuffs, however, will occur also in future.

2. Energy sector

The plan for the development of the energy sector provides for a 19.1% growth of all sources of energy (in coal equivalent). As against the preceding five-year plan period, when a growth (in coal equivalent) of 14.1% was achieved, this means an ambitious target. In 1990 635 million t of oil (including gas condensate), 850 cubic meters of natural gas, 795 million t of coal and 1,860 billion kWh of current (including 245 billion kWh in hydroelectric power plants, 390 billion kWh in nuclear power stations) are to be producec

The planned growth rates for oil and coal production exceed the growth realized in the 1981/85 plan period; natural gas production is to rise by 32.2% by 1990, i.e. to the same extent as in the preceding plan period (see Tables 2 and 3).

2.1 Investments in the energy sector

The inves:ments in the fuel and energy sector are to increase by 35%. The growth of the investments thus exceeds the planned overall economic growth. The share of the energy sector investments in the overall investments (1981/85: more than 12%) will thus continue to rise under the 12th Five-Year Plan.

2.2 Prospects

According to our estimates oil production will amount to about 580 million t in 1990.
The increase in the production of natural gas to the amount of 207 million cubic meters provided for under the plan by 1990 appears realistic and corresponds to the envisaged extension of the natural gas trunk network.
The planned production of coal cannot be realized by 1990 on account of the sluggish opening-up of new deposits.
A realistic 1990 production target is an cutput of 750 million t, which as against 1985 is an increase of only slightly more than 3%.

2.3 The plan for the production of electric energy will not be fulfilled either, which is mainly due to the delayed extension of nuclear power plants. According to available information the Chernobyl reactor accident has brought about no change in the nuclear energy development program. After the reactor accident further delays in construction are to be expected. By 1990 an output of 1,840 kWh of electric energy is deemed possible. In order to reach this production volume, it is necessary, though, to continue the operation of old thermal power plants, which are susceptible to damage.

2.4 For the 1986/90 period a 12% increase in the production of primary energy is deemed possible. Between the planned growth of industrial production of 25% and the possible increase in primary energy production a substantial deficit will arise under the 12th Five-Year Plan, which cannot be fully balanced by the planned energy conservation measures. It is to be expected that, particularly in the winter half-year, a precarious supply situation will occur with regard to thermal and electric energy, which will be characterized by temporary power cuts in the private households. The plan to electrify 8,000 km of railroad lines by 1990 also appears unrealistic against this background (see Table 3).

3. <u>Metallurgical sector</u>

3.1 <u>Iron and steel industry</u>

By 1990 119 million t of finished rolled products*) are to be manufactured. The increase in production by 10.2% as against 1985 is to be derived from the stepped-up use of scrap, with iron ore and pig iron production remaining constant. More than 50% of the investments are envisaged for the reconstruction and technical modernization of plants. The raw material basis is to be extended by the opening-up of new deposits or the increase in already existing capacities (see Table 5).

<u>Prospects</u>

It is not to be expected that in the iron and steel industry the modest 1981/85 growth (in crude steel production, for instance, increase of less than 1% annually) will significantly increase under the 12th Five-Year Plan. The modernization of the iron and steel industry, whose plants are, in part, extremely obsolete, will continue to drag on.

*) Including 15.6 million t from thermally hardened steel, 12.5 million t of cold-rolled sheets, 21.5 million t of rolled products from low-alloy steels

Taking into account the stringent regulations imposed on the processing industrial branches with regard to material savings, the production growth in the iron and steel sector will not suffice to meet the requirements for, in particular, quality steels and sheets without imports from Western industrialized countries.

3.2 Non-ferrous metallurgy

Owing to large-scale reserves of most metallic raw materials, the USSR is one of the greatest producers and exporters in this field. Net imports, however, have been necessary in the case of bauxite and alumina, molybdenum, tungsten and tin, for some years also in the case of lead and zinc.
Under the 12th Five-Year Plan it is planned to maintain the high degree of self-sufficiency and, if possible, even improve it. To this end the exploration and opening-up of new deposits and the modernization, technical conversion and extension of existing mines and processing plants are planned. Investments are to focus on the smelting of aluminium, manganese, molybdenum and tungsten and the production of gold and rare metals as well as on tin production. The manufacture of metal powders is to be generally stepped up. The production of non-ferrous metals from scrap and raw materials, which because of difficult processing have not been used so far, is to be pushed ahead. Recycling plants are primarily planned for alumin um, lead, copper, cobalt, tin, gold and silver. The projects in non-ferrous metallurgy appear realistic with regard to the supply with particularly lead, zinc, copper and tin.

4. Metalworking industry*)

4.1 Summary

The metalworking industry accounts for one quarter of the entire Soviet industrial production. The sector includes
- civilian mechanical engineering (manufacture of capital goods for all industrial and most service sectors as well as of durables)
- the armament industry and
- metal-processing (including metal construction, the manufacture of metal products and repairs of capital goods and industrial commodities).

According to their respective branch the production plants are subordinate to one of the 20 responsible industrial ministries; eleven of these ministerial sectors primarily produce for the civilian sector, nine of them primarily for military purposes (and therefore do not publish any statistical data).
On account of the military hardware included in the output of the metalworking industry only scanty information is submitted about the overall production volume of this industrial branch. According to official index figures the metalworking industry has for many years shown higher growth rates than industrial production.
The current underprivileged status of the civilian sector also explains the fact that eleven "civilian" mechanical engineering ministries showed growth rates below the average of the metalworking industry, whereas the armament ministries succeeded in steppingup production.

*) According to the Soviet nomenclature called "mechanical engineering and metal-processing" (Russian: mashinostroyeniya i metalloobratbotka), in the text referred to as metalworking industry

According to GORBACHEV only 5% of all "effective investments" were made in the civilian mechanical engineering sector under the 1981/85 Five-Year Plan. Taking into account effective overall investments of 620 billion rubles, this percentage is equivalent to about 31 billion rubles; added to this is an additional charge of about 4 billion rubles for "non-effective" investments so that the overall investments in the civilian mechanical engineering sector amounted to approx. 35 billion rubles in 1981/85 and accounted for just under 50% of the investments in the metalworking industry.*)

4.2 1986/90 plan targets

The growth of production planned in the entire metalworking industry amounts to 43%, i.e. 7.4% on an annual average, with a breakdown into civilian and armament sectors not being possible. The replacement rate of the equipment is to rise from 1.4-2% to 10-12% p.a.

Under the new plan the investments in the civilian mechanical engineering sector are to rise by 80%. At the same time an investment sum of 63 billion rubles is mentioned for the metalworking industry, which thus can refer only to the civilian mechanical engineering sector. The 12th Five-Year Plan does not contain any further data on investments in the metalworking industry so that the extent of the overall investments, particularly the share of the armament sector, remains unknown.

In view of the declared goal of the Soviet leadership to modernize the civilian mechanical engineering sector and the fact that the armament industry has for years enjoyed preference in the supply with resources and has production

*) Investments in the metalworking industry in 1981/85 according to preliminary results/estimates approx. 71.5 billion rubles including 49% in the civilian mechanical engineering sector, 41% in the armament industry and 10% in metal processing

plants available ensuring deliveries of arms and equipment at a high level, it is currently safe to assume that, in the medium run, the armament industry will not receive additional investment funds.

In the longer run, the armament sector might even profit from such a strategy because from a modernized civilian metalworking industry it would receive more sophisticated plants for the production of future weapons systems.

For modernization high-tech products (computers, control systems and the like) are considered particularly urgent. For this reason the respective branches of production are to rise 30 - 60% more rapidly than the mechanical engineering average.

Besides ambitious quantitative targets the plan calls for a far-reaching modernization of the production structure, a duplication of the efficiency and durability of new products as well as for a significant increase in the production quality.

Some "basic evils" are to be removed: with regard to the introduction of new technologies the interval between the development and the production stage is to be reduced to one third or one quarter; research and production - locally and organizationally mostly separated - have to be integrated. Available reserves are to be mobilized: change to multi-shift operations, stepped-up automatized means of production, reduction of the excessive material consumption.

In order to reorganize the current industrial control mechanism considered ineffective and incomplete, management responsibilities are to be shifted from the ministries to the works' associations. For an improved coordination of the activities of the industrial ministries the "Mechanical engineering office with the Council of Ministers of the USSR" was founded in late 1985.

4.3 Prospects

The prospects of success in the metalworking industry depend on the capacity of the Soviet capital goods industry. Capital goods production has - partly in terms of quantity but primarily in terms of quality - failed to meet today's requirements. In the short run, however, its reorganization and modernization in the mechanical engineering sector is not possible. For longer-term modernization measures in this sector stepped-up investment funds are sometimes necessary and promising. The modernization process, however, will also in mechanical engineering get going only gradually. Since, in terms of both quality and quantity, the necessary modern machines and equipment are at present neither produced in the USSR nor in the CEMA countries, imports from Western industrialized countries would be the only alternative in the interest of a rapid initial success. The organizational changes discernible so far have been largely effected along conventional lines also in mechanical engineering. They remind of the numerous unsuccessful attempts and "reform" efforts of the past.

What is new is the urgency of the government leadership trying to show by means of existing deficiencies that things have to be changed and to win each individual citizen over to its cause. Wages to a greater extent based on efficiency would probably also have positive effects on the personal commitment.

III. Assessment

In view of the partly gloomy prospects in the above-mentioned key sectors the objectives of the 12th Five-Year Plan cannot be fully reached. Imports from Western industrialized countries, particularly of machines and equipment, will also in 1986/90 remain significant for the modernization of the economy.

Each additional burden imposed on the national economy by expenditures which were not planned originally (e.g. disproportionate growth of defense spending, sharp rise in development aid, environmental disasters) would profoundly disturb the already unstable economic equilibrium and would have negative effects on the overall economic growth and, in particular, on private consumption.

However, the intensive campaign of the Soviet leadership aimed at activating the readiness for work of the population as well as the numerous organizational changes in the Soviet economic and planning apparatus will somewhat accelerate the growth dynamics of the economic sector. Sweeping changes in the direction of economic effectiveness are not in sight though. Economic policy merely points to improvements in line with the system.

Table 1

USSR: Agricultural production, plans and results (in million t/p.a.)

	Actual figure 1985	Actual figure 1981 - 1985	Plan 1981 - 1985	Food program 1986 - 1990	1986/90 plan 1990
Grain	190 *)	179 *)	238-243	250-255	250
Sugar beets	82	76	100-103	102-103	92-95
Potatoes	73	78	87-89	90-92	90-92
Meat**)	17	16	17-17.5	20-20.5	21
Milk	98	95	97-99	104-106	106-110
Eggs (billion units)	77	75	72	78.5	80-82

*) Estimate
**) Slaughtering weight

Source: Statistical yearbooks of the USSR and plan documents of the 12th Five-Year Plan

Table 2

USSR: Production of oil, natural gas, coal and generation of electricity under the 12th Five-Year Plan

	Actual fig. 1980	Actual fig. 1985	Plan 1990	Estimated production 1990	Actual growth 1985/80 mill. t	%	Planned growth 1990/85 mill. t	%
Crude oil (mill t)	603.2	595.0	635.0	580	- 8.2	- 1.36	40	6.7
Natural gas (in billion cubic meters)	435.2	643.0	850.0	850	207.8	47.7	207	32.2
Coal (million t)	716.4	726.0	795.0	750	9.6	1.3	69	9.5
Electricity (billion kWh)	1 294.0	1 545.0	1 860.0	1 840.0	251.0	19.4	315	20.4
including								
from nuclear power (billion kWh)	73	167	390	-	94	118.8	223	133.5
water power (billion kWh)	184	214	245	-	30	16.3	31	14.5
thermal power (billion kWh)	1 037	1 164	1 225	-	127	12.2	61	5.2

Source: Statistical yearbooksof the USSR and plan documents of the 12th Five-Year Plan

Table 3

USSR: Primary energy production in 1980, 1985, 1990 (planned and estimated)
(in million t coal equivalent)

	Actual figure 1980	Actual figure 1985	Plan 1990	Estimated production 1990
Crude oil	862.6	850.9	908.1	829.4
Natural gas	514.2	760.0	1 004.7	1 004.7
Coal	476.9	485.7	531.9	501.8
Hydroelectric power	22.6	26.3	30.1	30.1
Nuclear power	23.7	54.2	126.6	87.6
Peat, wood, oil shales and other alternative sources of energy	70.0	70.	(75) estimated plan target	75
Overall production:	1 970.0	2 247.1	2 676.4	2 528.6
Growth rate:	1985/1980 14.1%		1990/1985 19.1%	1990/1985 12.5%
Growth rate industrial production:	19.6%		25.0	-

Source: Statistical yearbooks of the USSR and plan documents of the 12th Five-Year Plan

Table 4

USSR: Primary energy consumption 1980-1985 (million t coal equivalent)

	1980	1981	1982	1983	1984	1985**)
Primary energy production	1 970.0	2 014.7	2 067.6	2 116.5	2 174.0	2 247.1
Imports	17.8	16.5	24.9	29.6	32.8	34.0
Available supplies	1 987.8	2 031.2	2 092.5	2 146.1	2 206.8	2 281.1
Exports	321.5	323.7	339.7	358.7	371.8	335.8
Changes in reserves*)	-0.5	-18.6	-17.1	-12.3	+15.4	+10
Primary energy consumption	1 665.8	1 688.9	1 735.7	1 775.1	1 850.4	1 955.3
Increase in % in an annual average	3.4	1.4	2.8	2.3	3.0	5.6

*) A negative value means an increase in reserves, a positive value means a decrease in reserves.

**) Estimate

Source: Statistical yearbooks of the USSR and plan documents of the 12th Five-Year Plan

Table 5

USSR: Iron and steel industry, production 1980-85 (in million t)

	Actual figure 1980	Plan 1981	Actual figure 1981	Actual figure 1982	Actual figure 1983	Actual figure 1984	Plan 1985	Actual figure 1985	Plan 1990
Iron ore (54.3% iron content)	244.7	-	242.2	244.0	245.2	247.1	275.0	248.0	-
Pig iron	107.3	113.6	107.8	106.7	110.4	110.9	118.0	-	-
Crude steel	147.9	158.3	148.6	147.0	153.0	154.2	169.0	155.0	-
Finished rolled products	102.9	109.2	103.0	102.0	107.0	107.3	109.4	108.0	119.0
Pipes	18.2	18.5	18.3	17.9	18.7	18.9	21.9	19.3	-

Source: Statistical yearbooks of the USSR and plan documents of the 12th Five-Year Plan

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See table of Contents

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Soviet Foreign Policy Under GORBACHEV

Table of Contents

Soviet Foreign Policy Under GORBACHEV

I. Background

Since GORBACHEV's takeover, Soviet foreign policy has been going through a phase of transition, which partly came to an end during 1986 and gave a new imprint to Moscow's conduct on the international scene. Three elements of change can be identified in this context:

a) A partially new conceptual approach to the Soviet understanding of foreign affairs;

b) Drastic personnel changes and hierarchical alterations in the Soviet institutions concerned with foreign policy;

c) Visible modifications in the practical implementation of Soviet foreign policy.

II. Partially New Approach to Soviet Foreign Policy

1. The Formula of the "New Political Thinking"

The central element of the new conceptual approach to Soviet foreign policy is the formula of a "new political thinking", made the binding yardstick by GORBACHEV at the 27th Congress of the Communist Party of the Soviet Union (CPSU). This formula breaks down into several programmatic postulates, whose presentation, though, reveals serious ideological contradictions and suggests problems of consensus within the leadership. In Soviet eyes, all countries are today facing the need for adjusting their foreign- and security-political ideas with the realities of the nuclear and space age and, while doing so, tackling related ethical-intellectual questions (DOBRYNIN, Kommunist, 9/86). Moscow signals its own need to catch up by admitting that it is still in the process of reorientation whose first results are to be seen in the outcome of the Party Congress and the numerous initiatives of GORBACHEV in the arms-control sector.

1.1 Features of Adequate Realism

Adequate realism is reflected in greater foreign-political flexibility, aiming not at ideological confrontation but at dialog and compromise. Foreign-political continuity therefore must not confine itself to a mere repetition of earlier acts, let alone a rigid defense of untenable positions, which ultimately would

only paralyze political maneuverability. A constructive foreign policy is rather characterized by a "versatile approach" to the problems of international security and cooperation, the dual aim being to eliminate the causes of distrust, hostility and political tensions and, on this basis, to reshape the system of international relations in line with "democratic" and "just" principles.

1.2 Redefinition of "Peaceful Coexistence"

Restricted to East-West relations, the substantive redefinition of "peaceful coexistence" finds its place here. This, too, is perceived by the Soviets as a reflection of the changed sense of realism. For instance, Central Committee (CC) Secretary YAKOVLEV is reported to have demanded during internal Soviet discussions that the term should either be dropped entirely because it is not accepted in the West, or should be deliberately divested of its ostensibly class-struggle-related elements. The concept is in fact no longer understood to be a "specific form of class struggle" but a set of principles regulating the relations between states of different social systems, these relations to be made free from ideological antagonisms. The shift of emphasis from ideological struggle to pragmatic cooperation is justified by Soviet functionaries mainly by pointing to the dangers of the nuclear age. They argue that peaceful coexistence today no longer leaves any room for "various forms of confrontation" but dictates the confinement to "peaceful competition" (A. GROMYKO/LOMEYKO, Mezhdunarodnaya Zhizn', 4/86). Even though this does not address concrete differences in, or bans on, forms of conduct, it can be surmised that this refers to such state-sanctioned practices as exertion of pressure, acts of interference and diversion as well as other methods of indirect use of force, although these are in the end attributed one-sidedly to Western governments ("neoglobalism" and its support). Thus defined, peaceful coexistence is to ensure the creation of a comprehensive system of "collective security" together with a concentration of the efforts of socialist and capitalist countries on the joint solution of the problems of mankind.

1.3 Renunciation of Force and Peaceful Settlement of Disputes as Norms of East-West Relations

Concrete normative pillars for a development of East-West relations along these lines are, in Moscow's view, the renunciation of the use, or threatened use, of force and an unqualified commitment to the peaceful settlement of international disputes. The upgrading of these latter aspects under GORBACHEV can be taken from his unusual acknowledgement of CEAUSESCU's long-standing efforts in this direction (visit to Moscow on 16 May 1986).

With respect to renunciation of force, too, the Soviet Union has moved towards the acceptance of ideology-free behavioral standards. On the one hand, the document of the Stockholm Conference on Confidence- and Security-Building Measures and Disarmament in Europe (CSDE) of 19 September 1986 rejects any arguments justi-

fying the use of force, which was pointed out once again officially by Deputy Foreign Minister PETROVSKIY (Pravda, 24 September 1986). On the other hand, when discussing the principles for relations between socialist countries, the Soviet Union shows a conspicuously restrained stance as regards the BREZHNEV Doctrine which, as a normative component of "Socialist Internationalism" (obligation of collective defense of socialist achievements) is even ignored altogether (in the interpretation of the CPSU Congress results!). Since ZAGLADIN's interview with "Paese Sera" of 08 February 1982 (following the imposition of martial law in Poland), where he virtually ruled out the application of the BREZHNEV Doctrine in future, the Kremlin has distanced itself verbally from this instrument of its Bloc policy.

2. Main Points of Practical Implementation of the "New Political Thinking"

2.1 Signs of Internal Reservations

Judging from what DOBRYNIN said, the basic pattern of a "new political thinking" outlined above will not be established without "bitter clashes" and "painful differences of opinion". He by no means explicitly rules out that this can happen also during internal discussions. That is only natural considering that already the 27th CPSU Congress found it difficult to go at least marginally along with GORBACHEV's rejection of the foreign-political rigidity of the GROMYKO era in the relevant resolution. The highest Party forum moreover avoided a repetition of the substance of that quasi "uniform system" of global problems (ZAGLADIN). These had been addressed by the General Secretary in the "political report" and require cooperation between East and West across ideological barriers in two main areas. To the extent that the Party Congress resolution discusses the "most pressing needs of all mankind", it ties them into the rivalry of systems and points otherwise one-sidedly to the political/material capabilities of "socialist" states and "progressive" currents.

2.2 The "Global Problem" of Preventing a Nuclear World War

Expressed in concrete terms, one of the focal points of East-West cooperation is the - top-priority - task of banishing forever the danger of a global nuclear war by means of systematic and comprehensive disarmament steps and thus to secure the survival of the world's civilization (DOBRYNIN). As regards the question of survival, the Soviets perceive today all countries of the world as being inextricably bound together by a common destiny (i.e., interdependence). It is thus no longer possible to separate national and international security. The postulate of collective and equal security not only rules out attempts at politico-military destabilization (because of unpredictable political consequences) - be it only by ruthless insistence on national and alliance interests. It also denies the moral basis to any single-handed nuclear-arms decisions by individual great powers,

unless these reflect the will of the global community (SHEVARDNADZE, A. GROMYKO/V. LOMEIKO). This was the Soviet Foreign Minister's line in the United Nations when he pleaded for the first time that an end should be put to the "nuclear club". Even more surprisingly, he added the hint that it would be necessary to this end to overcome the psychological barriers of prestige thinking also in the Soviet Union.

2.2.1 Moscow Distances Itself From the Principle of Deterrence

Formally following this argumentation, the Soviet leadership under GORBACHEV has in principle distanced itself from the system of deterrence accompanied by a continued nuclear arms race (cf. GORBACHEV's political report of 25 February 1986 to the 27th CPSU Congress). (Yet the Soviet leaders stick to an assured nuclear second strike capability in military practice.) It is remarkable in this context that not all the blame is now put at Washington's door. At any rate, ARBATOV suggested in a self-critical vein (Radio Moscow, 25 September 1986) that also the USSR had a share in the responsibility for the nuclear arms race in that new Soviet weapons systems could give rise in the USA to a sense of being threatened and to questions about their political purpose. Against this background, Moscow holds the view that the development potential of military technology will not allow any state today (and even less in future) to rely on military means alone for its national security. By insisting on the concept of deterrence in the nuclear arms race, nobody will, in the long term, reap security benefits, but, on the contrary, this will have a growing destabilizing effect on international relations (not least because of the risk of human error, with the Chernobyl disaster being openly cited in support of this, as was done by GORBACHEV in his TV address on 18 August 1986).

Apart from the impossibility of settling the conflict between the systems by military means, there is, from this angle, no longer any meaningful alternative to rigorous global disarmament with a view to reducing the military potentials to a "reasonable" minimum. DOBRYNIN said that the scientific institutions with their modern research capabilities in the fields of foreign and military policies are called upon to evolve a "mathematical model" for maintaining strategic stability during the process of arms reduction.

2.2.2 Nuclear Test Ban as Sole Acceptable Approach to Nuclear Disarmament

It is only within this frame of reference that the Soviet Union apparently still attaches political significance to the concept of deterrence; this assumption is corroborated in substance by the analogous discussion of the problem in GDR media. Against this backdrop, it is only logical that GORBACHEV should make the demand for a discontinuation or a general ban of nuclear tests the pivotal point of his arms-control arguments (most outspokenly in his "Rude Pravo" interview of 08 September 1986), at the same time

making a nuclear test stop the most important yardstick of the foreign and security policies of all countries, especially the nuclear powers.

Although there is no doubt a causal relationship between this postulate and the attempt to prevent the US SDI project, there is more to it than mere tactics to seek one-sided advantages for Moscow. Moscow's demand to launch a vigorous nuclear-disarmament effort forgoing any further nuclear tests at the same time has the advantage of greater plausibility (in particular in the face of a possible failure of the SDI project), provided that the Kremlin can in fact overcome the prestige barriers successfully, seriously strives for nuclear disarmament and seeks to dismantle nuclear and conventional imbalances in Moscow's favor. The reactions of the Nonaligned movement and parts of the Western public can only confirm GORBACHEV in his approach to the problem.

2.2.3 GORBACHEV's Radical Disarmament Concept for Reykjavik

It is true that GORBACHEV did not make the discontinuation of, or ban on, nuclear tests the key subject of the talks in Reykjavik. What was done there was merely to discuss a gradual phasing out of nuclear tests as a subject of future negotiations, a rapprochement of views being achieved in Moscow's eyes.

However, in his talks with REAGAN, the General Secretary translated his nuclear-disarmament proposal of 15 January 1986 into a so highly substantiated compromise argumentation and rigorous decision dynamics that one cannot escape the impression of Moscow having largely abandoned its traditional negotiating practices. With an eye to the strategic nuclear potential (triad of land-based and submarine-launched missiles and strategic air forces) and its complete elimination in two phases within ten years, his line of thought is characterized by an optically impressive consistency. Taken at face value, its radical consequences are well suited to make the security purpose of the US SDI program look absurd. Nevertheless, contradictions, inconsistencies and gaps in argumentation cannot be overlooked (see 2.2.4). What remains especially incomprehensible is GORBACHEV's reluctance to accurately define and explain the scope of the SDI test ban demanded by him (restriction to space), even though he must have known the inflexibility of the US position on this point and he himself had made a negotiating success contingent on an SDI compromise by the quasi-linkage of his package proposals. Similarly, the subsequent American contention (SHULTZ) that, of the strategic triad, only the complete elimination of the ballistic nuclear weapons (but not bombers and cruise missiles) had been up for discussion can for the time being be interpreted only as an attempt to maintain tactical positions (for which there are several reasons).

The different account given by the Soviets of the talks would have to be questioned only if it were openly attacked as incorrect by the US.

To his offer regarding the strategic rocket weapons, the General Secretary added the proposal to completely liquidate the intermediate-range weapons in Europe and, during the negotiations, did in fact accept a reduction of the SS-20 in Asia to 100, to be balanced by a similar number of missiles in the US.

Notwithstanding such lack of clarity on certain points, one cannot dispute GORBACHEV's achievement of having presented a politically binding disarmament concept (for strategic and intermediate-range weapons) and to have initiated for its implementation a rapprochement or accord of the Soviet and US positions in major areas, even though practice will have to prove the viability of this understanding. This development clearly goes beyond the propagandistic character of earlier Soviet sets of proposals on arms control, aimed directly at the public. This does not affect the possibility of GORBACHEV having misjudged what is politically feasible in the area of nuclear disarmament.

It is precisely the atypical Soviet approach in Reykjavik (attributable to the dominant and persuasive personality of GORBACHEV and his primary interest in a "great historic feat") that (besides significant uncertainties about the accompanying and subsequent problems of a systematic nuclear disarmament by the two superpowers) militated against the General Secretary. It is clear and has been indirectly admitted by GORBACHEV that he must shoulder the blame. Against the long-standing experience with Soviet negotiating in arms control, REAGAN and his advisers were psychologically overtaxed by the apparently serious suggestions of the Soviets to scrap all strategic nuclear systems. Out of the blue, they were being faced with a coherent and tactically variable "platform" which, in the words of GORBACHEV, embodied the collective will of the CPSU Politburo and had been coordinated in substance with all relevant institutions (AKHROMEYEV as Soviet chairman of the disarmament working group in Reykjavik).

The departure of his argumentation from the soviet stance in the GROMYKO era has been subsequently indicated by the General Secretary himself (TV speech on 14 October 1986) in claiming for the Kremlin to have shed the "trivialities, details and stereotypes" of the past, which had obscured the view of what is politically essential in disarmament. By contrast, he attested to the Americans to have stuck to the old cliches in the Reykjavik talks.

In view of what had gone before, it was inevitable that Moscow's voluntary renunciation (i.e., based "only" on moral responsibility for mankind) of those nuclear arsenals constituting an essential element of Soviet prestige as a world power would meet with American incredulity and give rise to questions about domestic Soviet constraints being the real cause. In fact, the talks in Reykjavik were overshadowed by the suspicion of the Americans (who were tactically pushed into the defensive) that the Kremlin was trying above all to avert a ruinous nuclear arms race in the wake of SDI in order to safeguard its pressing economic reforms because its material resources were inadequate to support a simultaneous effort in both fields (precisely this awareness of the problem is attributed to GORBACHEV in some intelligence reports). After preventing SDI (as an overriding general prerequisite) and first steps towards nuclear disarmament, Moscow might later be tempted (e.g., in the case of an improved economy and/or favorable international constellation) to dodge a definitive liquidation of the nuclear arsenals.

GORBACHEV has not (yet) managed to eliminate the credibility gap that had developed under his predecessors with regard to the seriousness of Moscow's disarmament intentions. The element of surprise of his comprehensive nuclear-disarmament package, which put REAGAN on the defensive right from the start, has obviously done more harm than good to his efforts if GORBACHEV's primary objective had really been a global negotiating breakthrough. The General Secretary probably saw that himself when he said cryptically that one could not cope in a single meeting with problems that had been discussed unsuccessfully for years. He also confirmed REAGAN's suspicion-ridden approach - though with a reversal of arguments to the disadvantage of the Americans.

2.2.4 Shortcomings of, and Doubts About, the Soviet Vision of A Nuclear-Free World

Notwithstanding GORBACHEV's personal commitment and the consensus achieved with REAGAN, the security concept presented by the General Secretary in Reykjavik is still characterized by substantive defects, some of fundamental importance, as well as elements of traditional Soviet practices. For instance, the material concessions to American demands emphasized by him constitute mainly the withdrawal from earlier (and unrealistic) maximum positions of Moscow. His method of linking agreements in component areas of disarmament to the prior solution of all disputed issues (i.e., in,concrete terms, the settlement of the SDI issue) ("package deal") constitutes a relapse to the linkage approach under GROMYKO to the same question (from which GORBACHEV had clearly dissociated himself when he first met REAGAN).

GORBACHEV's charge, articulated in that context, that SDI alone had prevented agreement on comprehensive nuclear disarmament in Reykjavik is much less convincing if one considers that the General Secretary had not made a concrete and systematic sounding of REAGAN's possible leeway for compromise in the testing issue. The official denigration of SDI by the Kremlin is not very well founded anyway since Soviet research comparable to SDI has been going on since the 1970s and was quite apparently accompanied by trials in space. At any rate, GORBACHEV hinted at relevant results of soviet research and based his resistance to SDI precisely on that (i.e., the danger of a qualitative leap in the nuclear and presumably also conventional arms race). What he did not mention, though, were any possible Soviet scientific leads in that field and their practical military exploitation at the present time.

This is also the backdrop of the verbal confusion of the statements by Soviet functionaries after Reykjavik about the possibility of a separate INF agreement. The credibility of Moscow's negotiating position on nuclear intermediate-range weapons is definitely in doubt after FALIN had once again, and giving plausible reasons, demanded the inclusion of British and French nuclear weapons in such an agreement if it is to be delinked from SDI, which would dispose of such an agreement anyway.

GORBACHEV kept completely silent about the question of how he intends to achieve the political feat of integrating the other nuclear powers and threshold states completely and in time into the nuclear-disarmament process of the two superpowers. What remains completely in the dark is a solution to the problem of how to effectively dissuade some regimes from exploiting their know-how for building nuclear arms (peaceful use of nuclear energy!) secretly and with blackmail in mind for a renewed nuclear-arms buildup (aimed at military superiority). Especially in the light of such imponderables, the American SDI concept - if practicable - promise a decisively higher security benefit.

Generally speaking, a positive resolve of the Kremlin for nuclear disarmament at present does not appear very logical because Moscow would in this way lose an important component of its only effective - i.e., military - pillar of its world-power status, even though it cannot be sure of a viable, quasi-compensating effect of a socio-economic pillar even in the longer term and GORBACHEV's program of economic reforms does not necessarily require a quick liquidation of the Soviet nuclear weapons. The pre-GORBACHEV Kremlin had never paid much attention to the moral aspect of a threat to the civilization of mankind by nuclear arms in its arms-control policy. The Soviet armed forces to this day keep alive the belief in the Soviet ability to win "victory" in a nuclear world war.

Even more serious than these factors is the fact that GORBACHEV, in the context of his nuclear-disarmament vision, has had nothing to say about the principles of order in a world without nuclear arms, even though that world will still - and this is also seen by the Soviets - be characterized by the antagonism between the social systems in East and West and by the North South conflict. The obvious lack of the Kremlin's theoretical underpinnings of its position is symbolized by the reaction of Soviet functionaries who - like LOMEYKO - take shelter behind vacuous truisms when faced by pertinent questions from Western interlôcutors.

On the one hand, the General Secretary did not pay sufficient attention in Reykjavik to the question of conventional disarmament, either as a problem in itself or in its interaction with nuclear disarmament. Where he did, in passing, refer to his proposal (of 18 April 1986) for the reduction of conventional arms in Europe, he did not display "new political thinking". The relevant explanations of the Budapest meeting of the PCC (10/11 June 1986), at any rate, do not vary significantly from the traditional pattern of Soviet tactics with maximalist positions, wishy-washy wording and conceptual design weak points.

On the other hand, an elimination of the nuclear armaments would not endanger Moscow's strategic options, particularly in Europe. Yet it would permit a general return to conventional war which - as a rule without the risk of self-annihilation would become a practicable proposition again. This applies also to direct military clashes between the two superpowers in the struggle for zones of influence in the Third World. While the US would regain military invulnerability, the security situation of Western Europe would deteriorate markedly.

It remains rather doubtful whether the Soviet Union would capitalize on this constellation in the interest of its European policy (to paralyze the Atlantic Alliance and to growingly dominate Western Europe politically). And the West Europeans (and the Western-oriented developing countries) would even then have no reason to trust Soviet love of peace and renunciation of force in foreign policy as long as the Kremlin continues to regard inhuman repression as an indispensable means of domestic policy and encourages the communists all over the world to use force in pursuance of national "revolutionary" aims where tactically convenient. Seen in this light, GORBACHEV has failed to answer the decisive question

2.3 The "Global Problem" of Economic Backwardness of the Developing Countries

Subordinate to arms-control issues, but linked to it in many ways by the question of cost, is what the Soviets see as a second "global problem", relating to the escalating development problems of the Third World; by way of the formula of a "new international economic order" this is associated with GORBACHEV's concept of an "international security system". Concrete Soviet ideas about a worldwide action program for international economic security have not yet been formulated in the Soviet Union, according to DOBRYNIN. This is another issue offering a wide field of work for scientific research in the USSR.

In view of the Soviet Bloc's limited economic potential, DOBRYNIH is convinced already now that this task can be handled only by concerted action of the socialist, capitalist and developing countries. If such concerted action does materialize, it will be possible, in Soviet eyes, to solve most of the problems of economic backwardness in the world as well as other existential problems of mankind such as protection of the environment, securing energy resources, exploration of the oceans and the cosmos during the next generation at the latest.

There are no signs, though, that the Kremlin is seeking direct cooperation with the Western democracies in at last tackling the North-South conflict (SHEVARDNADZE). Moscow seems to prefer the UN as a much more attractive - because propagandistically exploitable - platform for such a cooperation between East and West. This is at any rate the tenor of SHEVARDNADZE's recent proposal to set up an aid fund for the developing countries and a global program of scientific-technological cooperation under UN auspices. The latter proposal is a general follow-on to an earlier initiative of the Warsaw Pact, published at the end of the Sofia meeting of the Political Consultative Committee (PCC) on 22/23 October 1985.

- 11 -

of how the Soviet Union will help to prevent post-nuclear relations from degenerating into a process of rapid destabilization with scarcely predictable political consequences. The credibility of his commitment for nuclear disarmament will depend not least on whether and how he faces up to this problem.

As is customary communist practice, he fully ignores the question how national and international class struggle are to be reconciled with a prohibition of the use of force and confrontation between states of different social systems, considering that the political leaderships of these states are the very exponents of "class interests" in communist understanding, so that these states themselves have to be the chief actors in international class struggle. Even though the unfettered "revolutionary" expansionism of Moscow in the 1970s ("fraternal help" under the auspices of "proletarian internationalism") has given way to more restraint today, the Soviet precept to the communists all over the world to use also force, as tactical conditions warrant, for the elimination of the "capitalist system" on a national level (encouragement of civil wars) remains in force as does the war of intervention as a rule of conduct of Soviet foreign policy ("real socialism" as a principal force of the world revolutionary process). CHNOUPEK explicitly confirms this Soviet conception of the use of force in dealing with the external class enemy when he rejects "pacifist" objections to the fight for the protection of revolutionary achievements and for national liberation and denies that this constitutes a threat to peace. GORBACHEV's call for "fair competition" between the two social systems cannot be reconciled either with such friend-foe thinking or with communist criticism of imperialism. Rather, the Soviets continue to regard increased cooperation between East and West under the motto of "peaceful coexistence" as an - albeit long-term - tactical-action concept, always associated with, or subordinated to, Moscow's world-revolutionary ambitions and their - if necessary violent - methods of implementation. This permits the conclusion that the Kremlin intends to persist in its adherence to the dubious tactics of different or competing standards of behaviour at the Party and state levels.

3. Critical Assessment of the New Accents in Soviet Foreign Policy

3.1 Origin of the New Ideas and Support in the Soviet Leadership

An appraisal of these new accents in the concept of Soviet foreign policy must first of all take into account that these were essentially drafted by Soviet scientists in the first half of the 1980s and have been adopted by GORBACHEV after coming into office. This permits at least two conclusions: Firstly, the General Secretary seems to have an unusually keen interest in the scientific discussion of foreign- and security-policy issues and is apparently willing to use the resulting fresh ideas for shaping his practical policy. The latter intention is reflected specifically in DOBRYNIN's list of tasks for the Soviet scientific institutions concerned with foreign, military and economic questions.

Secondly, this new way of absorbing new foreign-political ideas does not suggest that these ideas have the unanimous support of the Soviet leadership, bearing in mind especially the noteworthy reticence of the Party Congress on this point. It is certainly no coincidence that to date only GORBACHEV, DOBRYNIN and - one step down - SHEVARDNADZE have stuck out their necks in discussing fundamental aspects of Soviet foreign policy. Other members of the Soviet leadership have been remarkably reluctant even to repeat relevant formulas.

It is especially the demand for cooperating with the West, irrespective of ideological differences, in tackling "global problems" and the realization that, in the efforts to preclude a nuclear global conflict, the Soviet Union cannot escape from a forced partnership with the class enemy, that are bound to encounter incomprehension and unease among the conservative majority of the Soviet Party and state functionaries. The frustration of the latter is aggravated by the fact that, according to DOBRYNIN, the CPSU needs to adjust its theory of the "revolutionary world process" and, hence, its rules of conduct for the rivalry between the two social systems to the realities of the nuclear age.

That this process of conceptual clarification will have defensive features is evident from DOBRYNIN's demand that the West must at last acknowledge socialism's right to exist, bearing in mind that the USSR as a state no longer seeks to overthrow the capitalist system in other countries. Even before, at the CPSU Congress, GORBACHEV had qualified the theorem of the inevitability of revolutionary developments by pointing out that the spreading of communism especially in the Third World depended on the ability of the socialist states to cope with their pressing economic and socio-political problems.

3.2 Many Contradictions in the New Soviet Foreign-Political Concept

3.2.1 Surviving Postulates on "World Revolution" and "Class Struggle"

There is, however, no overlooking the fact that the Soviet foreign-political concept still contains numerous elements that are partly quite irreconcilable with GORBACHEV's postulate of "new political thinking". DOBRYNIN, for instance, has left no doubt that also the process of "new political thinking" necessarily implies, in the Soviet view, a "class analysis" of the problems of peace and war and therefore remains within the ideological framework of Marxist-Leninist ideology. That is precisely the rationale of the recent CPSU Central Committee resolution on the functions of the periodical "Kommunist". As far as foreign policy is concerned, it contains no formal, let alone substantive, reference to the "new political thinking". Besides outlining the elements of Soviet foreign policy, "Kommunist" is to concentrate on a criticism of imperialism, whose venom and disparaging language have, if anything, become worse under GORBACHEV (inter alia, revised Party program; "political report" to the CPSU Congress). Capitalism is being discredited as a decrepit, parasitic social system; the political structures of Western democracies are described as near-fascist (even GORBACHEV is not above such abuse), and "neoglobalism" is castigated as an American concept for imposing "world rule" and for making the material and psychological preparations for a new world war. Soviet functionaries invoke the "belief" of the Soviet people in a communist future of the world.

3.2.2 The Ambivalence of the Concept of "Peaceful Coexistence"

Pursuing this line, Czechoslovak Foreign Minister CHNOUPEK was in agreement with Soviet authors when he recalled that a policy of "peaceful coexistence" does not eliminate the antagonistic contradictions between socialism and capitalism and, hence, international class struggle. He rules out a "peaceful coexistence" of the classes and merely advocates - with little plausibility - a renunciation of military force.

As is customary communist practice, he fully ignores the question how national and international class struggle are to be reconciled with a prohibition of the use of force and confrontation between states of different social systems, considering that the political leaderships of these states are the very exponents of "class interests" in communist understanding. GORBACHEV's demand for "fair competition" between the two social systems is incompatible with either such friend-foe thinking or with the communist "criticism of imperialism". CHNOUPEK becomes entangled in even bigger contradictions when he generally rejects "pacifist" objections to fighting for the protection of the revolutionary achievements and for national liberation (because of the resultant danger to peace). In this way, Moscow signals its intention to persist in its adherence to the dubious tactics of different standards of behavior at the Party and state

levels.

3.2.3 Moscow's Ambivalent Arguments and Activities Vis-a-Vis the Third World

The ambivalence of Soviet foreign policy is revealed in practice directly by its dealings with the Third World. Moscow's call on the West to join forces in removing the backwardness of the Third World countries must be seen against the background of a theoretical redefinition of Soviet Third World policy, which presupposes a high degree of agreement between the WP and the Nonaligned movement in assessing the international situation, the causes of regional/local conflicts and ways to solve the problems of mankind. For the relations between developing countries and Western democracies, the Kremlin defines a new pattern of conflicts taking the place of colonial liberation struggles and centered especially on the debt problem and onesided technological dependence. Although the CPSU no longer indulges in crude violence and revolution rhetoric, it does predict, however, that this conflict will eventually inevitably prompt the developing countries to adopt a development path already pursued by the countries of "socialist orientation". DOBRYNIN has made it clear that the Soviet leadership wants to encourage this process in the Third World by way of systematic activities, at the expense of Western influence and of the capitalist social system. Recent Soviet initiatives aimed at upgrading the Nonaligned movement are impressive evidence of this commitment. For one thing, a department for Nonaligned affairs has been set up in the Soviet Foreign Ministry following comprehensive reorganization and concurrent with the Harare Nonaligned Summit on 01 - 06 September 1986 (TASS, 07 August 1986). For another, SHEVARDNADZE used his speech in the UN to present the remarkable proposal that the Nonaligned movement as an organization and represented by the respective chairmanship nation should be given an unspecified share in the work of the Security Council, a scheme which would ultimately boil down to permanent membership in this body. As a result, Moscow could well anticipate an improvement of its position in the Security Council.

If one adds to that the current Soviet moves for aid measures to help the developing countries within the UN framework, there emerges a tactical ploy of the Kremlin to pose as the champion of Third World interests and to give Third World "cooperation" with the Western democracies a class image by compelling the "capitalists", through constant demands and majority votes in the UN, to maintain a constant flow of material aid to the Third World. This ploy could be exploited by Moscow's propagandistic rhetoric, claiming that the West had been forced by the pressure of the world community to reduce its explcitation practices and to introduce economic redemption. Despite SHEVARDNADZE's remarks in the UN, there are at any rate no signs that Moscow feels a moral or political obligation to contribute its own share to overcoming the North-South conflict.

3.2.4 Moscow's Efforts to Restore the Unity of the "World Socialist System"

The Kremlin under GORBACHEV has furthermore stepped up its efforts to restore the unity of the "World Socialist System". Already at the Sofia PCC meeting, the WP countries asserted to be acting in the interest of this group of countries. In particular, they practically claimed the PR China as a member of their own camp and wooed Peking with the offer of cooperation "in the struggle for peace and socialism against imperialism".

With his offensive of dialog vis-a-vis Peking, which does contain remarkable concessions, GORBACHEV has meanwhile expressed his determination to achieve a breakthrough in the normalization of Sino-Soviet relations. The incipient revival of party-to-party relations between the PR China and WP countries (Poland, Hungary, GDR, Czechoslovakia) together with the visits to Peking of JARUZELSKI and HONECKER will promote this process. Besides its interest in including China in its concept of an Asian security conference, the Kremlin can therefore hope for a sharper demarcation of the two social systems, the more so as it has already signalled to Peking its willingness not to insist on its claim to political and ideological leadership in the "community of socialist countries".

In doing so, however, the Soviet Union is incurring a long-term risk whose outlines are currently emerging: if the dynamism and pattern of China's socio-economic development turn out to be lastingly successful, there is a danger for Moscow that, as a result of persistent national revitalization, the Soviet Union could gradually lose prestige and political weight in its own camp, ultimately to the benefit of Peking.

3.2.5 CPSU Efforts at Unity of Action in the Communist Movement on Soviet Disarmament Policy

In a similar manner, the CPSU under GORBACHEV is endeavoring to stem the process of erosion in the communist movement. In contentious ideological issues it uses pragmatic tactics and exercises restraint with regard to the concepts of non-ruling fraternal parties to seize power. It continues to use these and their front organizations to influence or infiltrate Western societies. For this purpose, Moscow insists on the maintenance of a clear-cut ideological foe image of "imperialism" and a corresponding "revolutionary perspective" on non-ruling communist parties in the West (cf. Pravda, 25 July 1986). This intention can be inferred especially from the unabated aggressive polemics of the periodical "Problems of Peace and Socialism", an essential function of which is to provide guidance for the communist movement.

GORBACHEV is also making efforts to normalize relations with important non-ruling communist parties (such as those of Italy and Japan). The underlying reason is the Soviet priority interest in restoring the unity of action of the communist movement on questions of world affairs ("problems of mankind"), after the CPSU is unshaken - though cautious - in its insistence on the obligation

of all communist parties to support its disarmament policy. Under this aspect, the Kremlin has not lost sight of the project of a new world communist party conference, even though there are (still) no signs of the necessary prerequisites for convening such a conference.

III. Personnel and Structural Changes in, and Shifts of Competences Between, Bodies Concerned with Foreign Policy

No doubt, an attitude of class-struggle-related confrontation and communist hopes for "ultimate victory" cast doubts on Moscow's determination to pursue "new political thinking". They are in the way of peace-securing rules of conduct in East-West relations and underline the unabated imperial impetus of Soviet foreign policy even in the light of the currently defensive self-portrayal of Moscow. Nevertheless, the relative significance of ideological principles for the Kremlin's political decisions/actions is as difficult to fathom as it would be to rule out alibi and protective motives in verbal blustering.

1. The Change from GROMYKO to SHEVARDNADZE

Nevertheless, there is enough innovative substance in GORBACHEV's foreign-political concept to preclude a continuation of the GROMYKO line in Moscow's foreign relations. The drastic nature of this break showed up at first only symbolically in the removal of GROMYKO on 02 July 1985. The appointment of the new Foreign Minister SHEVARDNADZE already gave an idea of how sweeping the coming change would be: Without professional expertise, with initially colorless and disputed conduct of his office, and without the de-facto authority of his predecessor to define foreign-political guidelines, he eventually established himself as the practical executor and - not very original - proponent of GORBACHEV's new foreign-political approaches. In that way, GORBACHEV gained leeway for his own shaping of foreign policy.

The subsequent changes in the foreign-political apparatus followed this pattern of responsibilities and had not least the purpose of breaking the resistance forming there against the foreign-political style of the new General Secretary. The 27th CPSU Party Congress (25 February - 06 March 1986) then initiated - unprecedented in the Soviet history - personnel changes and shifts of competences with respect to the International Department (ID) of the CPSU Central Committee (CC) and the Foreign Ministry which were accompanied by measures to reorganize the two institutions.

2. New Strength of the International Department (ID)

A central event was the reversal of subordination between Foreign Ministry and ID. With the appointment of DOBRYNIN as CC Secretary and head of the ID and the transfer of KORNIYENKO from the Foreign

Ministry to the post of DOBRYNIN's First Deputy, the authority to define guidelines in fundamental foreign-political matters has been returned to the Party. By publications on the interpretation of Moscow's new foreign-political concept, DOBRYNIN has already given firm expression to this claim. The Soviet Foreign Ministry has thus been downgraded to the role of an executive organ. Intelligence information reveals that inter-departmental tensions did occur in the wake of this.

The greater competences of the ID are furthermore reflected in the creation - not yet officially confirmed - of a section for arms control. According to a reliable intelligence report, the post of another first deputy department chief exists meanwhile for this section, bringing the number of such posts to three now. The incumbent is thought to be Lieutenant General V. STARODUBOV. The two organizational steps are apparently intended to preclude a professional dependence of the ID on the Defense and Foreign Ministries, after a "directorate for the problems of arms control and disarmament" has been added to the latter in the course of the recent reorganization.

There is no evidence of other important structural changes in the ID. ZAGLADIN has - contrary to rumors saying otherwise - retained his area of responsibility (Western Europe) and rank (First Deputy Department Chief).

All told, it can be expected that the difference of rank between SHEVARDNADZE and DOBRYNIN will in future be reduced or removed when all two of them are Politburo members. A relationship of subordination as had been the case with GROMYKO/PONOMAREV can at any rate be ruled out as things are.

3. Sweeping Changes in the Soviet Foreign Ministry

3.1 Comprehensive Reorganization

The Soviet Foreign Ministry has been subjected to sweeping changes. Under a massive reorganization program (which was completed for the time being in August 1986), the number of departments was reduced from 28 to 18 and that of directorates was increased from 8 to 11, the overall effect being a marked decrease in the number of departments. The new structure now takes fully into account both geographical considerations and the criterion of different social systems in grouping countries together and also functional priorities (inter alia, disarmament, peaceful use of nuclear energy and space, Nonaligned movement). In the overall picture it reflects a formally balanced treatment of the various regions of the world and, at the same time, the will to streamline the Foreign Ministry apparatus.

3.2 Personnel Changes at the Top of the Ministry and at Ambassador Level

Also meanwhile completed is the shakeup at the top of the ministry. The personnel changes underline once again Moscow's preoccupation with the US (VORONTSOV) but at the same time also indicate a formal upgrading of Western Europe (KOVALEV, ADAMISHIN), of the UN (PETROVSKIY) and of the disarmament sector (BESSMERTNYKH), and underscore Moscow's special interest in the PR China (ROGACHEV).

As another cadre-policy step, the Kremlin has replaced almost 50 of its ambassadors in all important states. Of special interest is the drastic downgrading in protocol terms of the mission in Washington (in contrast to that in Peking) by the appointment of DUBININ (not a full or candidate member of the CC). According to the rules of the Party statutes, this is a longer-term decision. It can at present be explained only by a lack of personalities deemed qualified for this post by GORBACHEV. DUBININ's conduct of office certainly does not create the impression that he is not up to his tasks or serves as a subtle symbol of Soviet disdain.

3.3 Commitment of Cadres Abroad to the New General Secretary's Foreign Policy

In late May (23/24 May 1986), the Soviet leadership took the unprecedented step of convening in Moscow a conference of all important Party and state functionaries concerned with foreign-political questions, including most of the ambassadors. The main purpose of the event was, in view of the experience in the past years, to remedy shortcomings in the practical implementation of Moscow's foreign-political line by Soviet missions abroad. In the last analysis, this boils down to another critical step away from the GROMYKO era. In a speech on this occasion, GORBACHEV reportedly highlighted three aspects: The growing interdependence of the states in the world; the serious character of the Soviet arms-control proposals and the need for more flexibility in negotiations; and the extension of the anti-corruption campaign to the Foreign Ministry. The explicit commitment of the cadres abroad to the foreign-political program of the new Soviet leadership was probably intended by the Kremlin as a multiplier of the effect of recent personnel changes. YELTSIN summarized this intention in the general formula that the Soviet leadership would replace functionaries who refused to rethink, remained passive or harbored mental reservations about the new political line.

IV. The Practical Implementation of Soviet Foreign Policy Under GORBACHEV

1. Two Main Motives of Foreign-Political Action

Essentially, there are two main motives that characterize Soviet foreign policy under GORBACHEV:

Firstly, the personal commitment of the General Secretary has the primary objective of enhancing the impact of Soviet foreign policy;

of reducing political isolation from the West; and regaining lost influence. After a few adjustments in arms-control policy, Moscow is displaying more and more flexibility; shows maneuverability in dealing with bilateral issues (PR China) and has mounted a dialog campaign in important regions of the world such as the United States, Western Europe and Southeast Asia.

Secondly, the Kremlin has postulated a direct functional linkage between its foreign policy and fundamental domestic objectives. Seen from this angle, it serves the purpose to eliminate the clash between priority claims on the one hand of reshaping the economy and the pattern of social relations and, on the other, meeting the requirements of the military. The Kremlin is therefore trying (so far most clearly formulated by YELTSIN) to convince the West that Moscow is bound to have an interest in a policy of peace and disarmament for concrete economic reasons, quite apart from the principal Soviet stance.

By Soviet standards, GORBACHEV has provided unusual contributions to the discussion: He referred to the inclusion of the military industry in the consumer-goods production (KHABAROVSK, 31 July 1986) and later reaffirmed his determination (in a Rude Pravo interview of 08 September 1986) to use every opportunity (justifiable from a security aspect) for widening this process.

The United States' allegedly rigid attitude on arms control (especially as regards SDI) is therefore assessed by the Soviet Union and logically other WP countries as an attempt to prevent a consolidation of the soviet economy and to weaken GORBACHEV's position. The General Secretary himself has addressed such charges to Washington (Rude Pravo interview of 08 September 1986), saying that the underlying idea was to wrest additional concessions from the USSR.

Soviet sources have repeatedly spread the story that, owing to differences in the top leadership, GORBACHEV feels condemned to succeed in arms-control affairs. There is reason to doubt these stories considering the scant substance of Soviet disarmament proposals tabled so far, and despite the repeated extension of the Soviet nuclear moratorium.
Moreover, the interest of the Soviet armed forces in a fundamental socio-economic change cannot be ignored, and public or reported worries of high-ranking Soviet officers (AKHROMEYEV, MAKSIMOV) about security risks resulting from the suspension of nuclear tests can be interpreted only as a tactical division of argumentative effort with a view to enhancing the effect of the step in the West. This approach does not affect the seriousness of GORBACHEV's intention to move towards more effective nuclear arms control by way of banning nuclear tests.

2. Development of Soviet-American Relations

2.1 GORBACHEV's Ambivalent Judgment of US Policy

In fact, a skeptical ambivalence has settled on GORBACHEV's assess-

ment of the US, modulating the bilateralism so purposefully revived by him. On the one hand, he doubts Washington's readiness for a political accommodation because the United States does not wish to forgo the arms-race (military superiority) and, irrespective of a risk of a global war, likes to see itself in the role of a "world policeman" with ambitions for global domination ("neoglobalism"), and, to balance this, invokes the common sense and self-preservation instinct of the American people which, in his eyes, does not see its national interests governed by the REAGAN Administration's militarized policy. On the other hand, he hopes for a responsible policy on the part of the US, which, privately, he does not suspect of nuclear first-strike intentions against the USSR, calling for renunciation of force and friendly cooperation as norms of bilateral relations. In this respect, GORBACHEV's arguments lie in the middle between the contrasting images of America of his advisers DOBRYNIN and YAKOVLEV.

2.2 Fluctuations in Soviet-American Relations

In practical terms, this dualism has not prevented that the relations with the United States are a key factor in shaping the orientation and substance of Soviet foreign policy. It does not come as a surprise, therefore, that the Soviet-American relations since GORBACHEV's election have been marked by considerable ups and downs. The first climax of the Geneva summit (19/21 November 1985) was quickly followed by a period of estrangement, the nadir being reached with the US military action against Libya (15 April 1986). Moscow put the continuation of the summit dialog in question and withdrew to a position of polemical posturing (GORBACHEV's call on REAGAN on 15 May 1986 for talks on nuclear test ban in Hiroshima).

2.3 Deficits in the Practical Implementation of the "New Political Thinking" in the Context of Chernobyl and Arms Control

At the same time, the Kremlin's foreign policy was found not to be quite up to the Soviet demands for political rethinking in two key areas:

- In stark contrast to GORBACHEV's "publicity" campaign, the Kremlin at first refused to supply information after the Chernobyl disaster (26 April 1986). In warding off Western criticism, Moscow once again relapsed into its old fortress mentality and ideological foe-image cliches and otherwise adopted a pose of huffy self-righteousness. The safety interests of West European states were disregarded and played no role in determining the Soviet behavior.

Later, though, the Soviet Union tried to mend its ways. Within the IAEO it furnished comprehensive information on the causes of the accident and indicated its willingness to cooperate in creating an international safety system for the peaceful use of nuclear energy, although an ulterior motive may have been selfishness (nuclear-technology transfer). Only on the question of liability

for damage caused to other countries, the Soviet Union has remained adamant, even though this stance is questionable in view of the discrepancy between the domestic legal position (no legislation on liability in connection with the peaceful use of nuclear energy) and the argumentation by Soviet scientists on international nuclear liability before Chernobyl (acceptance of Western liability standards). At any rate, the possibility cannot be fully ruled out any more that a principle of customary law governing liability in nuclear accidents will be adopted by soviet legal doctrine. In the case of other, minor accidents (ship accident, aircraft hijacking, fire in nuclear submarine), the Soviet leadership has meanwhile been quite forthcoming with information.

- It is true that, in arms-control policy, GORBACHEV launched an offensive vis-a-vis the West with his proposals for nuclear (15 January 1986) and conventional (18 April 1986) disarmament, with the Budapest PCC meeting of 10/11 June 1986 contributing some explanations on the latter aspect. These proposals, though, either aim at unrealistic targets or do not depart much from earlier Soviet maximum demands. Furthermore, the General Secreatry's initiatives produced only little progress in the Geneva disarmament talks which, not least because of Soviet intransigence, made no headway at all by the summer recess. Moscow's traditional practice of seeking onesided advantages is reflected in the fact that even when a rapprochement of views had been obtained on detail questions, this would time and again be jeopardized by Soviet re-interpretation.

However, in this area, too, there have been signs of Moscow tempering its stance. In the verification issue, for instance, GORBACHEV not only adopted an offensive line which defines on-the-spot verification as - where necessary - a logical element of disarmament negotiations and as being indispensable for Soviet security interests (Rude Pravo interview of 08 September 1986). Also in the final document of the CSDE (19 September 1986), the Soviet Union for the first time accepted on-site inspections, even though the relevant compromise formula leaves much to be desired (minimum consensus with a view to disarmament dialog and Vienna CSCE follow-up meeting).

In the Soviet-American arms-control talks, there are now signs of more promising leeway for negotiations, especially as regards centers for the reduction of the nuclear risk, START, INF, CW and regarding a limited nuclear test ban. In all points, however, compromise solutions can hardly be achieved without substantial concessions also from the Soviet side. GORBACHEV's initiative for an interim summit with REAGAN on Iceland (11/12 October 1986) underlines his resolve to achieve a breakthrough or to prepare one for his later visit to the United States.

2.4 Improved Ability for Better Communications With the US to Support Soviet Primary Interests

Generally speaking, the soviet leadership seems to be making progress in learning how to cope, with an eye to Soviet primary interests, in a rational and businesslike way with inevitable potential difficulties in its relations with the other superpower arising

from system-inherent mental and political divergencies. The settlement of the - self-inflicted - DANILOFF affair and the muted reaction to the expulsion of 25 Soviets employed with the UN revealed a sense of political proportion of the Soviets. GORBACHEV had expressed his willingness to continue the summit dialog already in late July 1986 by endorsing Soviet-American expert-level contacts (dealing with a wide range of subjects), even though he remained quite skeptical about another meeting with REAGAN, insisting that there must be prospects of concrete arms-control results. Neither the loss of prestige resulting from Chernobyl nor his constant preoccupation with his domestic reorganization program has deflected him from pursuing the central objective of his foreign political concept.

This permits two related conclusions to be drawn: As a result of the overdue changes in the Soviet economic and social systems, the pressure on GORBACHEV to produce foreign-political successes is apparently growing, concentrating his attention on the need for effective arms-control agreements with the US. Seen in this light, GORBACHEV's genuine readiness for disarmament cannot be put in question: how far he will go cannot be gauged with any assurance from the fact that the traditional Soviet practice of making maximum demands is still prevailing at the various levels of negotiations.

The General Secretary is hence not prepared to relinquish the initiative when it comes to defining the relative importance of problems and laying down sequences in the talks with the US. During his Iceland talks with REAGAN, GORBACHEV made this quite clear when he blocked, with his rigid attitude on SDI, agreement achieved in two essential areas of arms control aimed at effective disarmament (INF, START), without, however, negating detailed negotiating progress for the future. His former "division of effort" with SHEVARDNADZE in spreading skepticism and confidence, respectively, about a meeting with REAGAN in Washington will continue also after Reykjavik even if the actors should change. This distribution of roles will be maintained by the Kremlin for the time being if only to further enhance the effect on West Europeans and Japanese regarding the disarmament substance at stake, considering the not insignificant concessions made by GORBACHEV in Reykjavik. At the same time, the rapprochement so far achieved - although this cannot yet be qualified in terms of troublespots and human rights issues - between the two world powers does not necessarily mean that Moscow would strictly oppose a (still to be negotiated) compromise formula on the American insistence on SDI tests and thereby endanger or even write off the dialog with Washington - at least for some years to come.

- 23 -

The available leeway for a compromise on SDI is narrow after ARBATOV ruled out any substantial Soviet concessions. Possibly, KARPOV has already defined this leeway when (on 18 October 1986), in discussing SDI testing, he put SDI on the same footing as the anti-missile system permitted under the ABM agreement, subject to territorial and quantitative limits, and thus "merely" ruled out system testing in space. In so doing, he repeated for the international public a supplementary explanation which DUBININ submitted already two days after Reykjavik in Washington to interpret a draft SDI agreement presented by GORBACHEV in Reykjavik. Moscow's expectations had been expressed by ZAGLADIN when he said that, on SDI, too, a compromise between the two sides was possible. In his TV speech of 22 October 1986, GORBACHEV did not go beyond this.

Along these lines, Moscow, like Washington, seems to be endeavouring to carry on steadily the dialogue conducted in such a businesslike manner (even though without achieving concrete decisions) in Reykjavik. Thus GORBACHEV virtually continued the communication with REAGAN in the week after the summit by having a message delivered in Washington. Already during his press conference on

12 October 1986, GORBACHEV had indicated his determination to meet the US President again, after a pause for reflection, in order to remove the remaining divergences as far as possible.

The Soviet media have fallen into line and, in commenting on the summit and possible sequels, steer clear of excessive polemics, clearly with the intention not to cloud the atmosphere for bilateral talks. It seems reasonable to assume therefore that the Kremlin does in fact see the recent summit as an encouraging step towards a further meeting in Washington, which GORBACHEV said, has become more likely but must on no account be exposed to the risk of failure.

Nevertheless, it must be assumed now that the time-frame agreed in Geneva for a visit of GORBACHEV to the United States and a trip to Moscow of the US President has become unrealistic and that it is doubtful whether the two meetings can actually take place.

3. GORBACHEV's Policy Towards Europe

3.1 Three Elements of Soviet Policy Towards Europe

In his European policy, GORBACHEV has also sought a new approach, though excluding the German element for the time being. Three

factors are typical of that new approach:

- Its dominant new accent takes the form of a generous offer of dialog to the West Europeans, though its practice has been subject to fluctuations.

- The Kremlin sees Western Europe not as a region with a specific political weight of its own, comparable in its importance to the US or - in the longer term - the PR China. In actual fact, GORBACHEV, like his predecessors, has not formulated a concept of European policy with clear-cut aims. He has also by no means revised Moscow's intention to draw the West Europeans in the long run into the orbit of the Soviet empire through a system of collective security (the WP's avowed foreign-political purpose).

- Under these circumstances, the Soviet European policy is subject to paradoxical contradictions which constantly strain its credibility: On the one hand, the Kremlin even under GORBACHEV regards its policy towards Western Europe as a function of its relationship with Washington, for instance by refusing the European NATO countries an independent security interest of their own in the Geneva arms control negotiations. On the other hand, Moscow wants the West Europeans to distance themselves from the US in foreign and security affairs and an autonomous European disarmament commitment. Yet the Soviet leadership keeps denying the Western charge that it wanted to soften up the Atlantic Alliance and detach Western Europe militarily and politically from the United States.

3.2 Practical Implementation of European Policy

If we analyze the practical implementation of Soviet European policy under GORBACHEV for these elements, the following picture emerges:

After taking office, GORBACHEV did at first in fact advocate the thesis of a multipolar world and hence wooed Western Europe including the EC - as partner for political dialog. In practice, though, he very quickly started a policy of bilateralism with the United States, which reached its first climax at the Geneva summit with REAGAN (19 - 21 November 1985). On this occasion as well as at the subsequent CPSU Congress, Europe almost did not figure at all. At that time, the Kremlin made no secret of its disregard for the West Europeans.

It was only when the Soviet-American estrangement was at its worst that GORBACHEV turned to Western Europe again. What he said in this respect during his visit to the GDR (16 - 22 April 1986), however, has neither news value nor conceptual qualities and least of all deserves being called a "socialist European program" which the GDR claimed for the WP without going into details.

Moscow's behavior in the wake of the Chernobyl disaster, though, at first prevented an implementation of this new European policy initiative. The postponement of GORBACHEV's visit to Italy was directly connected with this and was suggestive of the loss of prestige of the General Secretary. That this trip - now envisaged

for October 1986 - was again cancelled by the Soviets symbolizes, in view of the GORBACHEV/REAGAN "working meeting" on 11/12 October 1986 in Reykjavik, the renewed subordination of Western Europe to Moscow's policy towards the US.

3.3 Soviet Claim to Leading Role in the CSCE Process

Yet at the same time, the Kremlin raised a fundamental claim to a leading role in the development of the CSCE process. The function assigned to the West Europeans in this context can be inferred from two lines of argument in the Soviet media:

Firstly, following the motto of a "common European house", the West Europeans are called upon to make a contribution of their own to a "new system of inter-state relations in Europe", the only known feature of which is that it is to exclude American influence. A deliberate orientation towards Europe presupposes, in Soviet eyes, an autonomous security policy of the West European NATO countries because this is the only way in which the continent's disarmament problems can be solved to the satisfaction of all concerned. Nothing at all is said about the practical details of an exclusively European security partnership which, considering the existing military superiority of the USSR would have to rely on a "relationship of trust" between the two different social systems (to use the words of BOGOMOLOV).

Secondly, the Soviet media postulate an irreconcilable divergence of interests between Western Europe and the US: Washington, it is claimed, was trying to cement Europe's political division; was letting down its NATO partners on questions of economic policy and the CSCE process; was deliberately exposing Western Europe to the danger of nuclear annihilation; had long abandoned its guarantee of military protection for its allies; and, also at the expense of the Europeans, was foiling systematically any progress in arms-control talks inter alia by way of the verification issue, which had long been settled by Soviet clarifications.

Despite these verbal attempts to harness Western Europe to Moscow's European policy, there is little to suggest that GORBACHEV means to treat the "European card" as a serious foreign-policy option. The risks attending such a course would be considerable and the political benefits highly doubtful. The Kremlin would have to display a constructively sympathetic attitude towards the autonomous political development of Western Europe. The consequences for the development in the Eastern alliance would be all but incalculable, especially if a de facto endorsement of the unification process in Western Europe went hand in hand with growing interaction between NATO and WP states as a result of cooperation. There is, moreover, no prospect of pushing the United States and Canada out of the CSCE process. If anything, the latter tends to favour the continued existence of the Atlantic alliance and thereby militates against the Soviet geostrategic objective of detaching Western Europe from the United States. From this angle, too, Western Europe remains subordinated to superpower bilateralism. Even the Soviet thesis of a "multi-polar world", assuming that Moscow makes use of it, does not strengthen the position of the West Europeans. The growing commitment of the Soviet Union in the Asian/Pacific region will additionally affect their political importance.

3.4 Activation of Soviet European Policy Since the Summer of 1986

It appears that Moscow has in fact been living up to this postulate of European policy as can be seen from some events. Nevertheless, this by no means implies that Moscow were signalling a recognition of Western Europe as independent factor in world politics.

3.4.1 Concessions in CSDE Negotiations

As an example, the USSR has made concessions of its own and thus contributed to the success of the Stockholm CSDE talks. From the Western viewpoint, the significant passages are above all those on renunciation of force (see II., 1.3 above) and the fact that for the first time agreement has been reached on verification measures (on-site inspections).

3.4.2 More Flexibility in Contacts Between CMEA and EC

In the contacts for a normalization of relations between CMEA and EC, the Soviet Union has, after some hesitation, accepted the position of the Brussels Commission. This has cleared the way for simultaneous negotiations on official relations both between the two economic organizations and between individual CMEA countries and the EC (problem of trade agreements). In fact, talks have meanwhile been started between the CMEA Secretariat and the EC Commission. This fundamental procedural requirement of the West Europeans had been the real obstacle in the way of preliminary talks commenced in the mid-1970s.

Although this development does not change the Soviet Union's primary interest in keeping distance, i.e., to commit its partners to satisfying the needs of the Soviet economy and, by economic, scientific and technological integration, render the socialist community "invulnerable" vis-a-vis the West. Yet such intentions have to contend with the need and urge of individual allies (such as Poland and Hungary) to cooperate with the West; these tendencies are promoted by relations with the EC and can hardly be stifled by the Kremlin without damaging its own material interests.

3.4.3 Western Europe - Preferred Region for GORBACHEV's Travels

Adding up GORBACHEV's past and planned trips, Western Europe has the highest score on the face of it. He visited the United Kingdom (December 1984) and France (01 - 05 October 1985). Italy and Greece will be visited shortly. The Kremlin also no longer tries to impede the contacts of its allies, on which GORBACHEV had imposed restrictions as recently as autumn 1985. He even shrugged off with tacit disgust such unusual moves as the Bulgarian-Greek non-aggression declaration (Sofia, 11 September 1986), which can hardl be reconciled with Moscow's concept of the alliance and which reflects only too clearly ZHIVKOV's intention to exploit the perennial conflict between Athens and Ankara for the purpose of compensating for the consequences of Bulgaria's brutal assimilation practices against the Turks in the country.

3.4.4 Cautious Turnaround in Soviet German Policy

The most obvious sign of the partial activation of the Soviet European policy has been the resumption of Moscow's communication with the Federal Republic of Germany after two years of severe confrontation. Prompted by the growing likelihood that the forthcoming Federal elections will confirm the current government coalition (with the elections in Lower Saxony serving as a barometer), the Kremlin has initiated a cautious turnaround in its German policy, first evidenced by Foreign Minister GENSCHER's visit to Moscow.

Soviet reservations about, and criticism of, Bonn's support for Washington's security and arms-control policy still persist as do the "revanchism" suspicions (reunification, revision of the political and territorial order in Europe based on Yalta and Potsdam), even though these suspicions are currently articulated not so much by Soviet as by Polish and Czechoslovak media. Nevertheless, GORBACHEV now seems to have an immediate interest in carefully establishing constructive communication with the Federal Republic. Seen in this light, this would confirm earlier speculation about Soviet opposition to HONECKER visiting Bonn. GORBACHEV evidently insisted on his prerogative of first normalizing Soviet relations with the Federal Republic.

The Kremlin meanwhile has not failed to signal the changed bilateral climate. Such signs have been the conclusion of a science agreement; Soviet readiness to contain conflicts in the question of visas for diplomats accredited in East Berlin; in the issue of asylum seekers; public tribute to members of the Federal Government (including the Chancellor); and the announcement of the possible visit to Bonn by SHEVARDNADZE in the spring of 1987.

4. Soviet Third World Policy

As regards Soviet Third World policy, GORBACHEV has launched initiatives especially with respect to the Southeast Asian and Middle Eastern regions, albeit with differing relative importance.

4.1 Middle East Policy: Widening of the Soviet Proposal for a Middle East Conference

Of limited importance is the General Secretary's proposal for a formal widening of the Soviet Middle East proposal of July 1984 because the latter's political aims remain unchanged. GORBACHEV's advance, which, he knows, is endorsed by MITTERRAND, concerns the composition of an international Middle East conference and a preliminary meeting to precede it: Both meetings are now to be attended by all five permanent members of the UN Security Council (in contrast to the former limitation to the US and USSR). Fitting in with the Soviet pattern of interests which shows through here is SHEVARDNADZE's latest proposal for a permanent representation of the Nonaligned movement as an organization in the Security Council.

4.1.1 Soviet Concept for Middle East Settlement Still Unattractive

Notwithstanding these formal shifts in emphasis, the Soviet concept for a settlement of the Middle East conflict still suffers from lack of acceptance among those concerned. Most of Moscow's Arab clients are not interested in the conference idea. Seen through Western eyes, the conference project has at least three fundamental disadvantages which are in the way of acceptance: There are no diplomatic relations between the Soviet Union and Israel; the conference reserves to the plenum the decision about a settlement at the expense of the possibility for bilateral arrangements; aims and results of the conference have been defined a priori and imply in Soviet view an absolute necessity of Israeli withdrawal from the Golan heights and the establishment of a Palestinian state. No progress in substance has been made either through media hints by Moscow about negotiating leeway and willingness to compromise or through recent soundings by senior Soviet functionaries (VORONTSOV, PETROVSKIY) in the Middle East region.

4.1.2 Continued Wooing of Moderate Arab States and More Interest in Israel

Considering the situation, the Kremlin has to rely on steps to improve its access to the parties to the conflict. Therefore it will, on the one hand, continue its efforts at normalizing relations with the moderate Arab states. On the other hand, the recent - if abortive - Soviet-Israeli contacts are indicative of

Moscow's increased interest in re-establishing diplomatic relations with Tel Aviv without paying too high a political price, i.e., preferably without losing too much of its standing with the Arabs. The fact that Poland and Hungary are meanwhile present in Israel at consulate level and with a trade mission, and Bulgaria is active in the same direction, are impressive illustrations of the modified attitude of the WP states towards Tel Aviv following the Sofia PCC meeting. Yet Moscow's allies - at whatever representation level - cannot counterbalance the absence of a Soviet ambassador in Israel.

4.1.3 Restriction of the Foreign-Political Leeway by the Military Involvement in Afghanistan

With the military intervention in Afghanistan, the Soviets have come closer to the fulfillment of the traditional Russian objective of access to warm waters as far as geography is concerned. However, this has resulted in severe - especially political - disadvantages resulting from the unexpectedly dogged resistance of the Afghans, and these disadvantages act far beyond the region. The Soviet action in Afghanistan has not only shaken the credibility of the "peaceful" character of Soviet foreign policy in the Western public and marred Moscow's standing in the Islamic world and Nonaligned countries; it has, in addition, imparted a containment dimension

to US foreign policy which has been accepted by the moderate states of the region. Moreover, it has put an additional strain on relations with the PR China. The leeway of soviet policy in the region and in relations with the US thus remains noticeably impeded.

Especially the latter aspect could have a disturbing effect on the arms-control agreements sought in the summit process, if the US Congress makes approval of the bilateral agreements contingent on a verifiable reduction of the Soviet presence in Afghanistan.

Apart from the human and material losses, GORBACHEV's foreign policy can be credited, against this background, with the intention of solving or at least defusing the Afghanistan problem. Soviet functionaries do not tire of making public statements to that effect.

With an eye to preserving the status quo of a largely Soviet-influenced, socialist-oriented Afghanistan, recognized as such by its neighbors, Moscow is pursuing a dual strategy. Firstly, it attempts to stabilize the Kabul regime by respecting traditional social, economic and religious structures, trying to politically integrate them in order in this way to deny the basis to the underground (policy of "broadening the social basis"). This approach also includes military action against the underground and the socialist education and indoctrination of parts of the youth - to some extent in the Soviet Union - as the nucleus of a future elite. Secondly, the Soviets try on the international level to give a share of the responsibility to Afghanistan's neighbors, specifically Pakistan, through a non-intervention guarantee and a commitment to a "withdrawal schedule" for the Soviet troops. Clear successes of this policy are not yet in sight, though.

With regard to the international framework of a settlement, the Geneva talks have so far bogged down, but not failed, over the problem of the timing of the Soviet troop withdrawal. The withdrawal of six Soviet regiments is a publicity effort and is designed to signal politically Soviet readiness for military disengagement in Afghanistan on the one hand, and the will for a unilateral Soviet-Afghan solution on the other. The troop reduction announce[illegible] the Vladivostok speech also implies a Soviet admission that the Afghanistan issue has an international dimension.

There are conflicting reports about successes of Kabul's domestic stabilization efforts. War-weariness and payments by the regime to various tribes may have resulted in some initial success of the government's policy of "broadening the social basis", but the military potential of the resistance remains unbroken and could be enhanced by well-placed Western aid.

4.2 New Ideas in Moscow's Policy Towards East and Southeast Asia

In East and Southeast Asia, too, GORBACHEV has made moves to revive or intensify political communication.

4.2.1 Reactivation of Relations With Japan With Problems Remaining Unsolved

Little has moved in Soviet-Japanese relations after SHEVARDNADZE's visit to Tokyo (January 1986). Even if GORBACHEV had actually toyed with the idea of returning the Kuriles, this has had practically no effect on bilateral relations. In a conversation with the former Japanese Foreign Minister ABE during the latter's visit to Moscow (29 - 31 May 1986), the Soviet General Secretary explicitly reaffirmed Moscow's rigid attitude in this issue. The talks have not helped to clear up political problem complexes as a prerequisite to regular communication, even though a continuation of the foreign minister consultations was agreed for 1985 and a cultural agreement was signed. Moreover, anti-American demands by Soviet media addressed to Tokyo (not least with SDI in mind) and GORBACHEV's proposal to meet with REAGAN in Hiroshima had clouded the atmosphere of ABE's visit to Moscow. Nor did GORBACHEV's speech in Vladivostok contain any constructive signals for eliminating the fields of political dissent with Japan.

Nevertheless, both sides endeavor - even at top level - to keep communication alive. GORBACHEV is expected to visit Tokyo in late January 1987. Moreover, Moscow can and will not completely ignore the problem of the "Northern Territories" in bilateral negotiations so as not to pile up insurmountable obstacles to enhanced cooperation. Notwithstanding the official version that a return of the Kuriles to Japan had been made impossible by the Japanese-American security treaty of 1960, Soviet interlocutors are dropping dark hints about a possible solution to the problem in the distant future. In the short term, it cannot be predicted conclusively whether the Kremlin's obvious wish to harness the economic potential of Japan to the socio-economic dynamization of the Soviet Far East might induce Moscow to make substantial concessions in the Kuriles issue.

4.2.2 GORBACHEV's Initiative to Normalize State-to-State and Party-to-Party Relations With the PR China

Under GORBACHEV, the relations between the Soviet Union and the PR China have steadily been gaining momentum as far as state-level cooperation is concerned. Also, Moscow has demonstrated flexibility in tackling contentious political issues. GORBACHEV's speech in Vladivostok constituted the most comprehensive move for a constructive shaping of bilateral relations. This applies especially to the elimination of the "three obstacles", even though a breakthrough is not yet in sight.

Thus, on the one hand, GORBACHEV's announcement of a partial withdrawal of troops from Afghanistan (which has meanwhile commenced) signalled tactical flexibility in a political approach to the problem, whose international frame of reference he has de facto acknowledged. In his UN speech, however, SHEVARDNADZE has summarized the latter aspect in the ambivalent formula that a settlement of the conflict must take into account "the legitimate interests of the Afghan people" and of its friends and neighbors.

On the other hand, he announced a withdrawal of troops from the Mongolian People's Republic, although this was qualified in the meantime by a fall-back proviso (Ulan Bator's linkage with a Chinese troop withdrawal).

When offering a border settlement on the Amur river (in future the border is to follow the main channel), GORBACHEV evidently intended to get the Chinese back to the negotiating table for border talks. He seems to have been successful as far as 1987 is concerned.

The General Secretary argued most restrictively on Kampuchea. Although he did not use the formula of "third country interests", he again reduced the Kampuchea problem to a lack of communication between Peking and Hanoi.

In the Chinese foreign policy, which had provoked the Kremlin into violent polemics a few years ago, the Soviet media now discover numerous points of agreement (arms-control policy, especially SDI; non-first-use; regions of conflict). However, Moscow has not been successful to date with overtures to Peking regarding a limited foreign-political unity of argumentation and action (Middle East problem, South Africa, Central America).

Even the Chinese program of reforms, which still early this year had been the subject of cool to critical Soviet media comments, was publicly appreciated by GORBACHEV in Vladivostok who - in view of the similarities between the two countries' modernization plans - offered a systematic exchange of experience.

For the same reason, the General Secretary repeated in a cryptic form SHEVARDNADZE's earlier suggestion (April 1986) for a Sino-Soviet summit which would in practice include the restoration of party-to-party relations. The urging of the CPSU towards the

latter objective clearly became stronger in 1986 on another level. DENG XIAO PING by no means rejected GORBACHEV's summit proposal but linked it with a solution to the Kampuchea problem. But on this issue, too, a Soviet-Chinese modus vivendi can no longer be ruled out after Moscow has verbally dissociated itself from Hanoi's involvement in Kampuchea and Peking has hinted to the Kremlin that it should confine its assistance for Vietnam to economic aid (i.e., no arms). In Chinese perception, the Soviet Union's allies essentially follow this line vis-a-vis Vietnam.

Against this background, the beginning revival of official party-to-party relations between all smaller WP states and the PR China reflects the current interests of the CPSU. The optical restoration of party unity in the "world socialist system" and the support of the Soviet idea of a collective security system in Asia (CSA) by JARUZELSKI (28 - 30 September 1986) and HONECKER (21 - 26 October 1986) during their visits to Peking are apparently much more important for the Kremlin than concerns about Chinese attempts to play off the USSR against its allies. Thus this comprehensive process of rapprochement is to be seen not only as another step in China's policy of opening towards the "socialist community". It also embodies the practical implementation of a political offensive of the WP vis-a-vis Peking - agreed at the Sofia PCC meeting - with a view to tying China more closely into their concerted actions again.

4.3 Elaboration of the Soviet CSA Concept

No tangible successes have been scored by GORBACHEV to date with the reactivation of the Soviet CSA project. Even India, which Moscow is wooing particularly in this context, has dodged a commitment to relevant Soviet conference plans. Against this backdrop, GORBACHEV elaborated on his project for a conference on collective security in Asia in his Vladivostok speech (28 July 1986), explicitly citing the CSCE process as a model for constructive regional stabilization efforts.

The importance of his words results not from his postulates on security policy, which contain nothing new. What does deserve attention is rather that the General Secretary pushes into the background earlier Soviet encirclement or denial ambitions with the declared intention of giving Peking and Washington a share in the political responsibility for regional affairs. For instance, he acknowledged not only "important legitimate interests" of the US in the Pacific region but also conceded that the security and cooperation questions in this area cannot be solved "satisfactorily" without Washington's cooperation. In addition, he paid tribute to the ASEAN countries as a factor of regional stability and expressed the Soviet willingness to take a share in the cooperation plans of these countries, provided that they forwent and anti-communist stance.

Together with the offers to Peking, the remarks of the General Secretary on the Pacific region contained a substantive momentum of their own and, hence, a latent credibility risk. The Soviet Union will in future be unable to escape these, the less so the

more emphasis it puts on its collective-security concept for Asia. On the one hand, the acceptance for the Soviet proposal by the Pacific-littorals will dwindle to the degree that the Kremlin indicates that it is not willing to pay a reasonable price for the implementation of its concept.

On the other hand, the feedback effect between Soviet domestic and foreign policies in this region is particularly obvious. As GORBACHEV has dismissed the Soviet Far East as an under-developed area by Soviet standards, the strength of the Soviet Union in the region is currently confined to its military presence. However, if Moscow wants the role of a regional policing power, it must be able to offer to the littorals - based on a suitable potential of the Soviet Far East - manifold forms of cooperation which imparts substance and political conviction to its avowed will for pacification.

Quite apart from such constraints, there are fundamental reasons for doubting that GORBACHEV's renewed initiative for a collective security system in Asia will quickly bear political fruit. SHEVARDNADZE has subsequently submitted a relevant catalog of principles to the UN which is unlikely to find acceptance in the West and will nourish suspicions that the Soviet regional policy is still no more than traditional tactical maneuvering. In that catalog, the USSR postulates the following for relations between states:

- Unconditional respect for sovereignty and independence and the right to choose autonomous paths of development;

- Respect for legitimate governments;

- Observance of commitments and agreements entered into by states under international law.

The Soviet Foreign Minister added to this catalog an overarching principle which would require the Western democracies to politically recognize the "realities" created in important conflict areas (Central America, Asia, Africa) in the shape of socialist states or countries of "socialist orientation". By doing so, he seems to be putting into concrete terms those "constructive alternatives" to the United States' "neoglobalism" in the solution or prevention of "local conflicts" which DOBRYNIN had fromulated as a political task for the Soviet Union a short time before.

V. Conclusions

If one looks at Soviet foreign policy under GORBACHEV with all its facets, there is no denying that there has been a major change of style. Travel diplomacy, verbal gestures as well as signals of greater flexibility and readiness for compromise are today the chief outward characteristics of the Kremlin's international activities.

It should also be noted that the Soviet perception of developments in the world, Moscow's own political position and potentials, and of the conflict between the two systems in East and West has changed. Against the backdrop of its own socio-economic weakness, Moscow had to acknowledge an adverse change in the international balance of forces. It has contributed to this development through excessive military buildup in the 1970s, which yielded no lasting political dividend, and through underestimating the "conservative wave" in the US. The Kremlin is thus defending today - so to speak a reversal of fronts - against American armament plans which could paralyze the domestic Soviet reform efforts.

The Kremlin under GORBACHEV seeks a way out of this dilemma mainly by re-defining East-West relations. Realizing that the opposing social systems will have to coexist under the conditions of the nuclear age for a "long historical period", the Soviet leadership has differentiated its picture of "capitalism". In bourgeois societies it distinguishes, according to perceived ability for communication and compromise, between two groups (agressive and realistic forces) and has clearly modified the ideological theses of the West's inability for disarmament and peace. As supreme norm for the web of relations between the systems, Moscow claims, in addition to renunciation of force, a mutual renunciation of political destabilization. The Kremlin thus concedes ideological respect (stabilized self-assertion) and political recognition to the class enemy as long as he has a power potential. At the same time, the Soviet reference to problems of mankind signals a budding sense of responsibility beyond the borders of systems. However, the credibility and viability of that sense of responsibility will, in Western eyes, depend on a demilitarization of foreign policy and a democratization of domestic policy in the Soviet Union. With regard to either aspect, there is nothing to suggest substantial changes; at best, there are only sporadic, marginal development trends. Therefore, Soviet protestations of renunciation of force should not be trusted as long as the Kremlin reserves the right of "revolutionary" use of force for itself (war of intervention) and for non-ruling communist parties (on a national level). This eventually also puts a latent question mark over the ban of force in East-West relations ("peaceful coexistence").

Under these conditions of radical change, it is not yet possible to clearly define the contents, forms and thrust of Soviet foreign policy under GORBACHEV. What is beyond doubt are only the continued existence of imperial ambitions and Moscow's persistent will not to abandon primary foreign-political and practicable military options (cementing of the global status quo). This postulate is supported by the observation that in central fields of conflict the USSR has not even partially withdrawn from positions as part of practical concessions or compromise arrangements.

That being so, the Kremlin will first have to demonstrate in practice its will to limited partnership with the West. This presupposes ground rules of peaceful international relations without ideological fallback positions to legitimize the use of force and rules out communist diversionist practices. It is up to the West to impart continuity to the current practical disposition of the Kremlin to limit the elements of military force in pursuing its perceived monopoly to create a universal social system and thus to perpetuate "peaceful coexistence" as a decisive but time-limited Soviet rule of conduct in East-West relations at the expense of communist revolutionary ambitions. The Western democracies will come closer to this goal the more convincingly they are able to cope with domestic

crises and preserve economic stability, and the more they succeed in committing the Soviet Union internationally to treaties on renunciation of force and long-term cooperation.

A growth of defensive elements in the Kremlin's foreign policy can be expected for the - by no means unlikely - case that Moscow is unable to remedy the shortcomings of its economic and social systems and thus - also as a result of the successes of other socialist states such as the PR China - faces the danger of ideological failure and of becoming a second-rate power, a development which would compel GORBACHEV to undertake drastic changes in the Soviet system.

135/C

URSS

29 October 1986

ECONOMIC REPORT

TgbNr.: 2032/86 VS-V

Subject : Soviet Union:
Planned Reorganization of Soviet Foreign-Trade Apparatus

DOI : September 1986

Evaluation : F - 3

01.03

Report

From a senior functionary of the Soviet Foreign Trade Ministry:

Within the reformation of the Soviet foreign-trade apparatus, it is intended to introduce more flexible thinking and acting into the Soviet foreign-trade system by a "formal" deprivation of power of the Soviet Foreign Trade Ministry. In this connection, the draft version of a reorganization of the foreign-trade ministry is to be submitted to the Central Committee of the Soviet Communist party by late 1986. At present, there are no legal basis or administration directives for the dissolution of the foreign-trade organizations.

The foreign-trade ministry believes that the infrastructure (e.g., international telephone and telex connections) which will become necessary in the course of granting foreign-trade rights to industrial enterprises could only be established within 5 or 6 years.

Comment

The reform in connection with the Soviet foreign-trade apparatus, which will become effective on 01 January 1987, provides that 21 ministries and 68 large enterprises be given the right to act independently on foreign markets; some of the tasks of the Soviet Foreign Trade Ministry will then be taken over by these organizations. At the same time, however, a foreign-trade commission was set up at the Soviet Council of Ministers, which is to act as a sort of supervisory organ vis-à-vis all persons/ organizations engaged in foreign trade and which is to perform direction and control tasks.

Other intelligence information (somehow contradictory to the above information) says that there are already plans for dissolving some foreign-trade organizations (e.g., ENERGOMACHEXPORT and enterprises of STANKOIMPORT); the other organizations will allegedly also be dissolved gradually and their personnel transferred to the respective ministries.

All said, it is doubtful, in our view, whether the changes in the Soviet foreign-trade apparatus will result in increased efficiency, at least in the near future. Several pieces of information rather indicate that it will not be possible to decisively reduce bureaucratism in the foreign-trade sector and that the planned changes will, for the time being, contribute to a paralyzation of the foreign-trade relations.

VRSS

07 August 1986

SUPPLEMENTARY POLITICAL REPORT

TgbNr.: 1904/86 VSV

Subject: Assessment of GORBACHEV's Speech in Vladivostok (28 July 1986)

Summary

In his speech in Vladivostok (28 July 1986) GORBACHEV summarized the internal and external aspects of Soviet policy in the Asian-Pacific region in a uniform concept. This overall concept manifests the fundamental importance of his statements. For the third regional priority of his foreign-political offensive he expresses more concrete ideas for the first time.

In the part of his speech dealing with domestic policy, he criticizes expressly and in detail the backwardness of the economic and social level of performance in the Far East. He blames government authorities of all levels (sometimes by name) for it. The party, too, is held politically responsible, particularly in his later speech in KHABAROVSK (31 July 1986).

The current grievances are to be remedied within the framework of a "new regional policy" of Moscow, which gives priority to the Far East and guarantees a dynamic socio-economic development there. The General Secretary summarizes his concept in seven mainly economic postulates.

The part of GORBACHEV's speech dealing with foreign policy is focused on the "Asian-Pacific" region. Other international problems - such as the bilateralism with the United States (a more constructive formulation concerning a new summit meeting) or the non-aligned movement (unrecognized Indian role of leadership) - are touched upon only in passing. The General Secretary develops two priorities in his regional policy statements: the bilateral relations with the main regional powers, the PR China, the USA and Japan, and the institutionalization of an international system of communication and cooperation with primarily security-policy objectives.

At present Moscow clearly attaches prime importance to an overall upgrading of its relations with the PR China. GORBACHEV expresses the so far greatest concessions of the Kremlin for the removal of the "three obstacles" (although he virtually leaves the Kampuchea problem out of consideration), for the first time acknowledges the Chinese reform policy, offers Peking an exchange of experience about the national modernization programs ano pleads for an intensification of the bilateral economic cooperation. He concedes that the United States have legitimate political/economic interests in the region and recognizes that the impending problems can hardly be solved without the assistance of Washington. Toward Japan the General Secretary adopts a restrictive attitude with regard to the settlement of political problems (Kurile issue). He pleads for a turning-point in the relations, encourages summit talks and makes no secret of the primary interest of the Kremlin to exploit Japan's economic capacity for the development of the Soviet Far East. Finally, GORBACHEV advocates the intensification of Moscow's relations with all countries of the region. Only South Korea is consistently ignored by him.

The ideas of the General Secretary about a comprehensive system of international security for the "Asian-Pacific" region emanate from the quasi exemplary CSCE process. He suggests an analogous "Pacific conference", which might be convened in Hiroshima or in a "Soviet coastal city" and which is to deal with the central political issues and arms control problems of the region. Moreover, he signals the Soviet readiness to participate in cooperation projects of the ASEAN members.

In his statements on arms control policy, GORBACHEV emphasized again his positive attitude toward another meeting with President REAGAN, which, in contrast to Geneva, should yield concrete results, however. In this connection he refers to REAGAN's written reply of 27 July 1986 as a "food for thought" and promises a thorough examination.

GORBACHEV's statements on the guaranty of peace and security in the Asian-Pacific region mainly repeat only well-known Soviet views. What is new is only the Soviet commitment to talks with China on a reduction of the ground forces as well as the mention of deliberations on a possible reduction of the Soviet troops in the People's Republic of Mongolia. They have to be seen in connection with the attempt to remove the "three obstacles" to talks/a normal relationship with China.

1. GORBACHEV's speech in Vladivostok on 28 July 1986 (on the occasion of the awarding of the Order of Lenin to the city) includes the attempt to unite the internal and external aspects of Soviet policy in the "Asian-Pacific" region in a uniform concept. He relates the demand for the preparation of a concept of a long-term development for the Soviet Far East within the framework of the government's regional policy with the long-term expectation that the Asian-Pacific region will be integrated into a process of dialogues, cooperation and security-political confidence building comparable to the CSCE, which is in line with a worldwide "system of international security" (project of the 27th CPSU Congress) and can only be encouraged or become more attractive on account of the future prosperity of the Far Eastern parts of the USSR. This overall concept manifests the fundamental importance of GORBACHEV's statements. They represent the first serious attempt of the General Secretary to formulate more concrete ideas for the third regional priority of his foreign-political offensive besides the USA and Western Europe.

2. The virtually equal importance attached to the internal and external problems results not only from the formal fact that GORBACHEV gives only a slight priority to international subjects in his speech. The reason given by him for his journey to the Soviet Far East (25 - 31 July 1986) is the urgency of an overall development of this region. This development is to be given a certain priority within the framework of Moscow's "new regional policy", which the General Secretary regards as part of his socio-economic vitalization program. In his subsequent speech in KHABAROVSK (31 July 1986) GORBACHEV describes the latter process as a kind of a "revolution" which has to cover all sectors of social life.

2.1 This declaration of intent is linked with harsh criticism of the backwardness of the economic and social performance level of the Far East. According to GORBACHEV, its economics development is slower than in other parts of the country, whereas, in view of the available resources, it should be the other way round. Particularly severe criticism is voiced by GORBACHEV of the inadequate living and working conditions, which would prevent the Soviet citizens having settled there from taking roots. That is why he calls above all for the raising of the living standard of the population.

2.2 Without further ado, the CPSU chief mentions the authorities responsible for such grievances: on the one hand, central government bodies such as the state planning committee ("political shortsightedness") as well as union ministries and state committees; on the other, local and republic authorities. Nor did he exempt the party from an indirect responsibility. According to GORBACHEV, he explained to the "leading cadres of the region" that their commitment to the socio-economic progress of this part of the country is considered inadequate. He retained this critical tenor also in his "great speech" delivered on the last day of his journey to the Far East (31 July 1986) before the actif of the KHABAROVSK regional party organization.

2.3 The General Secretary laid down his ideas about a long-term development concept in the Far East in seven points:

- establishment of a sophisticated economic complex for the use of the ocean resources (particularly fisheries);

- extensive exploitation of the rich natural resources in the region: i.e. abandonment of the narrow role of a raw material supplier in favor of a broadly based industrial infrastructure aimed at creating closed production cycles (separate decision of the CPSU Central Committee and the Soviet government to be taken shortly);

- rapid overcoming of the deficits in the fuel-energy complex with a view to providing the region even with an export potential in this sector;

- speedy development of the production infrastructure by pushing ahead the buildup of a modern construction industry as well as the use of "progressive forms" of transport;

- the solution of problems of a "scientific-technological" regional policy, i.a. by equipping the enterprises with sophisticated technology and a specialization of production adapted to the regional requirements;

- consistent promotion of an export orientation of industry as the share of the Far East in the Soviet overall exports is to be regarded as "extremely small";

- establishment of a "sophisticated agricultural basis" as well as an efficient food industry.

GORBACHEV concludes this set of measures by suggesting additionally that the Far East should be developed into an extensive recreation area, a center of Soviet and foreign tourism including the necessary infrastructure.

3. GORBACHEV focuses his foreign-political statements on the "Asian-Pacific" region. Other regions or international problems are touched upon only in passing:

- Arms control policy and the related bilateralism with the USA play only a secondary role (compare item 6). GORBACHEV reduces his readiness to meet REAGAN at a new summit to a much more constructive formula by referring to the declaration of intent of the Geneva summit (19 - 21 November 1985) aimed at a recovery of the international situation and an intensification of the arms control negotiations.

- GORBACHEV's polemics against "imperialism" are reduced to the well-known reproaches and correspond to a catalogue of equally familiar "constructive" demands concerning the attitude of the West encompassing the renunciation of anti-communist foe images and the cessation of attempts to economically wear out the USSR by means of armament measures and to paralyze the "socialist

community", as well as the turn to a "new way of political thinking".

- He speaks about the Warsaw Pact by referring to two major aspects: on the one hand, he claims again that the Soviet disarmament proposals have been agreed upon in the alliance beforehand; on the other he shows his clear commitment to the Warsaw Treaty as a defense alliance confined to Europe; in this connection he underlines his rejection of "military blocks" in the Pacific with the additional call on NATO to oppose an expansion of NATO's scope to the whole world allegedly envisaged by Washington. This implies simultaneously a clear refusal of Libya's approaches to the Warsaw Pact.

- GORBACHEV makes an extra bow to the non-aligned movement, above all as he wants to give prominence to India as its "recognized leader" and to draw attention to the commitment of this movement to Asia in its beginnings. Referring to the antagonism of the non-aligned countries toward a policy of exploitation, conquest and neo-colonialism, he suggests an accord with maxims of Soviet foreign and particular third-World policies.

4. GORBACHEV develops two priorities when he explains his ideas about a cooperation and security system for the "Asian-Pacific" region:

- the bilateral relations with the main regional powers, the PR China, Japan and the USA;

- the institutionalization of international bodies/forums for a dialogue, cooperation and disarmament.

4.1 GORBACHEV's statements reveal that Moscow currently attaches prime importance to its relationship with the PR China in the region. The General Secretary is obviously highly interested in a substantial improvement and upgrading of the bilateral relations, an interpretation that is shared also in Soviet functionary circles according to a first piece of information. He expressed the so far greatest (though still vague) concessions of the Kremlin for the removal of the "three obstacles":

The promised withdrawal of a "major part" of the Soviet troops from the People's Republic of Mongolia for the first time confirms earlier intelligence information on respective deliberations of the Soviet leadership. Moreover, he offers Peking negotiations about a proportional reduction of the mutual ground forces. Finally, the General Secretary probably wants his announcement of a partial troop withdrawal from Afghanistan to be regarded as a signal of Soviet flexibility in the search for a solution of this problem, which is also aimed at the Chinese. By including Afghanistan in his foreign-political concept for the region he indirectly suggests at any rate that the Soviet military presence in this country is of international importance and is by no means confined only to the responsibility of Moscow and Kabul. It is only with regard to the Vietnamese intervention in Kampuchea - regarded by the Chinese as the main obstacle - that GORBACHEV does not show any readiness to make

concessions, reducing the process to a normalization deficit in the relationship between Peking and Hanoi.

Such a relative security-political flexibility corresponds with a far-reaching communication and cooperation offer of GORBACHEV to China. For the first time he publicly ackowledges Peking's domestic reform program ("understanding" and "respect") and offers the Chinese leadership a systematic exchange of experience as well as practical support - because of the similarity of the two countries' modernization projects and socio-economic development goals. He pleads for the exploitation of the positive trend in economic relations, proposes bilateral cooperation in space and announces an intergovernmental agreement on the drawing up of the border on the Amur, which was obviously initiated by Soviet concessions. Finally, GORBACHEV leaves no doubt that he regards constructive Soviet-Chinese relations as a key to the creation of a multilateral security system in the "Asian-Pacific" region; simultaneously he implicitly denies earlier Soviet ambitions of encirclement vis-a-vis the PR China.

4.2 The arguments of the General Secretary vis-a-vis the USA as a regional power are comparable. GORBACHEV does not want to push the USA aside but intends to charge Washington with responsibility in regional policy. He concedes the USA not only "important legitimate economic and political interests" in the Pacific area but also recognizes that the problems of security policy and cooperation to be overcome there cannot be solved "satisfactorily" without the cooperation of Washington. However, GORBACHEV misses an American readiness for communication meeting these requirements.

4.3 The statements on Japan are the most restrictive ones as far as the settlement of political problems is concerned. In GORBACHEV's opinion a "calm atmosphere" unburdened by problems of the past is a general prerequisite for the good progress of the Soviet-Japanese relations. How this state of affairs is to be reached is left open by him, however, especially since he does not even indirectly refer to the main obstacle, the controversial Kurile issue. He does admit, though, that it has been impossible so far to achieve a turning point in the bilateral relations. This does not prevent him, however, from insisting on summit talks with Tokyo. The Japanese Prime Minister, NAKASONE, has intimated approval on condition that GORBACHEV will come to Japan first.

Moreover, the Soviet General Secretary links his appreciation of Japan's economic strength with known criticism of Tokyo's security policy, which contains also anti-American side-swipes. Finally, he firmly underlines the Soviet wish to exploit Japan's economic power - via comprehensive cooperation - with a view to speeding up the socio-economic development in the Soviet Far East.

4.4 In his speech GORBACHEV addresses the bilateral relations with virtually all countries of the "Asian-Pacific" region. What is striking, however, is that he systematically ignores South Korea, although he mentions the Korean peninsula in several respects. This issue still takes the Soviets to the limits of their readiness to take into consideration the political realities in the region.

5. When GORBACHEV propagates the Soviet ideas for an overall system of international security for the "Asian-Pacific" region he directly refers at first to the achievements of the CSCE, which are exemplary for him. According to him, the Helsinki process of dialogues, negotiations and agreements has created "some stability" in Europe and reduced the probability of armed conflicts - an approach by no means generally advocated in Moscow's current arguments on European policy. Consistently enough, the General Secretary pleads for an analogous "Pacific conference" of all littoral countries, which might be convened to Hiroshima or a "Soviet coastal city" (possibly Vladivostok itself). This conference is to reach agreements on the vital political problems (i.a. Kampuchea, reunification of Korea, combatting of international terrorism) and the region's problems of arms control policy (e.g. transformation of the Indian Ocean into a peace zone, creation of a nuclear-free zone in the Korean peninsula, reduction of the activities of the naval forces, abandonment of military bases, reduction of conventional arms).

In addition, GORBACHEV has expressed the fundamental willingness of the Soviet Union to participate in the cooperation plans of the ASEAN countries - such as a "Pacific economic cooperation" - whose international activities are praised by him. As a prerequisite, however, he calls for the renunciation of an anti-communist orientation of such cooperation structures. At the same time he draws the attention of the countries concerned to the goal of a new international economic system as well as to the existing integration experience in the East and the West.

6. In his statements on arms control policy, GORBACHEV confirmed the receipt of Reagan's written reply of 26 July 1986 and promised to examine it thoroughly and responsibly. Its assessment is to be based on the following two aspects:

- In how far do the proposals consider the principle of "equal security" and
- in how far do they open the possibilities for effective joint solutions for the termination of the arms race and the prevention of armament in space.

In this connection GORBACHEV reaffirmed his positive attitude toward another meeting with President REAGAN, which might give a new impulse to the disarmament process. It should yield concrete results, however, in contrast to Geneva.

GORBACHEV's statements on the guarantee of peace and security in the Asian/Pacific area do not suggest any major changes over the former Soviet standpoints but repeat - though in a rhetorically lengthy way - known Soviet demands/proposals, i.a.

- the efforts at convening an Asian security conference after the pattern of the CSCE/CSDE in Europe,
- the propagation of nuclear-free zones, e.g. for the Korea peninsula, the South Pacific *) and Southeast Asia,
- the wish for confidence-building measures (incl. renunciation of force declaration), a (step-by-step) reduction of fleet

activities in the Pacific and a transformation of the Indian Ocean into a zone of peace,
- the promise not to shift SS-20 to Asia, which are to be withdrawn under an INF agreement for Europe, and
- the offer to reward prior US concessions, e.g. the withdrawal of troops from the Philippines.

As early as 23 April 1986 TASS had published a government declaration in which GORBACHEV's disarmament initiatives, in particular the "System of International Security" adopted by the 27th CPSU Congress, had been extended to the Asian region/ Pacific Ocean. One year ago, in May 1985, these proposals had been submitted in a similar form to Indian Prime Minister R. GHANDI, to whom GORBACHEV assigns a special role in the non-aligned movement in his present speech.

What is noteworthy is only GORBACHEV's statement that the Soviet Union was ready to talk with China about a reduction of the ground forces. It has to be seen in connection with the attempt to remove the "three obstacles" for talks/normal relations with China. The fact that deliberations on possible Soviet troop reductions in the People's Republic of Mongolia are mentioned has to be seen in the same light.

The place, audience and emphasis of his speech suggest that his words are addressed above all to the three groups mentioned below; the tenor of the speech is moderate despite the ritual blaming of the USA (i.a. for the attempt to build up another military block).

- The more important countries of this region (China, Japan, India)
- the neutral and non-aligned countries
- the USA, particularly with regard to the disarmament process.

It obviously constitutes the Soviet attempt to increase the generally minor Soviet influence in the Asian-Pacific region and to simultaneously restrict the US supremacy - particularly against the background of the 8th summit conference of the non-aligned movement in Harare/Zimbabwe (1 - 6 September 1986), GORBACHEV's first official journey to the Far East as General Secretary, a possible visit to India this year and the economic importance of this region to the Soviet Union.

Footnote

*) A declaration of GORBACHEV for a nuclear-free zone in the South Pacific published by the Soviet embassy in Wellington on 29 July 1986 underlines this demand and is also aimed at weakening the ANZUS Pact even further.

Hungria
Fichaje 1135/C

Despues de fichar este Doc. pasa a Bid. de enlace Aleman

10 September 1986

SUPPLEMENTARY POLITICAL REPORT

JUNTA DE COMANDANTES EN JEFE
SERVICIO DE INFORMACION DE LAS FF AA.
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Subject: Hungary - Current Domestic Issues

Cutoff Date: Late August 1986

Summary: Personality information:
Rezsö TRAUTMANN is not in the best of health; Karoly GROSZ has regained his health after gall-bladder surgery. New rumors are afloat in Budapest about a change in the office of Premier of the Council of Ministers (György LAZAR). The wife of the HSWP CC Secretary for Agitprop (Janos BERECZ) was killed in an accident.
For an organizational chart of the Ministry of Foreign Trade see Annex.
The newly established State Office for Youth and Sports Affairs is not to be expected to bring about substantial changes.
There are no chances at present of realizing deliberations to establish a trade union for journalists.
A conscientious objector was sentenced to an exemplarily stiff prison term.
The Report contains two items of information about the situation of the Churches.

entregado por ... V. Roca

Table of Contents

Annexes

1. Personality Information

1.1 Rezsö TRAUTMANN

The deputy chairman of the Presidential Council appears to be suffering from considerable health problems. He had originally been designated as head of the Hungarian delegation attending the ceremony in commemoration of Franz von Liszt (Bayreuth, 29 July to 01 August), but was then replaced by the Deputy Premier of the Council of Ministers, Mrs. Judit CSEHAK (in charge of cultural and social affairs).

1.2 György LAZAR, Jozsef MARJAI, Laszlo KAPOLYI, Jenö VANCSA

There are new rumors afloat in Budapest government circles about a replacement of the Premier of the Council of Ministers.

At the same time, personnel changes will reportedly be made involving MARJAI (Deputy Premier of the Council of Ministers), KAPOLYI (industry minister) and VANCSA (minister of agriculture), with KAPOLYI reportedly replacing MARJAI.

1.3 Janos BERECZ

The wife of the Secretary of the Hungarian Socialist Workers's Party/HSWP was killed in a road accident in late January 1986. Making up her lack of competence by pulling strings, Mrs BERECZ had held a director post in the Ministry of Health, where she was in charge of medicinal baths and springs. The fatal accident happened when her car started skidding on a provincial road covered with ice and then had a head-on collision with a truck. She died at the scene of the accident. Mrs BERECZ was a mother of two sons (a law student at Budapest University and a high school graduate) as well as of a daughter (allegedly working in the Foreign Ministry).

1.4 Karoly GROSZ

GROSZ, Politburo member and 1st Secretary of the Budapest HSWP Committee, has reportedly overcome gall-blader surgery without complications. He always complains about being swamped with work.

2. Ministry for Foreign Trade

For an organizational chart and a list of senior employees see Annex.

3. State Office for Youth and Sports Affairs

The sorry state of the official youth organization KISZ, its decline in attractiveness as well as the known youth problems (difficulties in finding a decent job, housing trouble, lack of interest in political things, rise in narcotics consumption) led the regime to make organizational changes.

The Hungarian Youth Committee headed by Mrs Judit CSEHAK (Deputy Premier of the Council of Ministers) and the Hungarian Office for Physical Education and Sports under Istvan BUDA were disbanded. Called into being at the same time (27 June 1986) was the State Office for Youth and Sports Affairs. Attached to the latter is the Bureau for international educational trips and youth exchange (BIS), which had been established shortly before. The State Office for Youth is headed by Gabor DEAK (President) and his deputy presidents (Dr. Antal PONGRAC, Dr Tamas AJAN, Tamas TIBOR and Dr Laszlo VARGA SABJAN). It takes its directives from the Deputy Premier of the Council of Ministers, Lajos CZINEGE. The new office has more powers than its predecessors in controlling Hungary's youth and sports policies. In addition, substantial funds are concentrated in one hand.

These organizational and personnel changes, however, are unlikely to produce major results, which is evidenced by the following factors:

- Control Problems

The assumption of control over the Hungarian Youth Committee by the physician Mrs CSEHAK had been no good omen for positive changes in the youth policy (let alone the control over the Party's youth policy by the 63-year-old Karoly NEMETH who was re-elected at the 13th HSWP Party Congress in March/April 1985). Even less auspicuous, however, is that the new office was placed under the control of the former defense minister CZINEGE. The only beneficiary of this change might at best be the organized sports and/or international top athletes through intensified promotion. CZINEGE has certainly not forgotten his concern about the growing number of young men rated unfit for military service or fit only for limited duties.

- Continuity in Office of the Key Personnel

None of the senior functionaries of the new office is expected to launch any initiative to speak of. DEAK is a member of the NEMETH-headed HSWP CC working group for party organization; AJAN had already been deputy chairman of the Hungarian Office for Physical Education and Sports; PONGRAC and VARGA-SABJAN are former functionaries of the KISZ youth organization.

Aong those youths that are interested in politics but reject the regime, there is a tendency toward establishing an underground youth organization with "leftist revolutionary" orientation. This group's provisional name "equality and socialist democracy" indicates already its program directed against both capitalism and socialism in real terms. The group is reported to have organized supporters already in six towns and to prepare the publication of a Szamisdat newspaper.

Even though such a grouping cannot be expected to make any major impact on the masses and/or the political landscape, this development is indicative of sections of Hungary's youth being deeply estranged from the regime.

4. Journalists' Trade Union

Circles still unkown here have ventilated deliberations about the establishment of a trade union of journalists. The HSWP is expected to adopt an unambiguously negative attitude toward such a project. Thus, the chances of such a plan being realized are currently nil.

5. Church Issues

5.1 Uniate (Greek Catholic) Church

The Uniate Church, whose activities are concentrated on the northeast part of Hungary, is assessed as loyal to the regime and is thus only under low pressure. Members of his Church support their brothers-in-faith in the Soviet Carpathian Ukraine by visiting them, providing them with bibles, etc.

5.2 Roman Catholic Church

The Catholic, West Germany-based "Schoenstatt movement", which represents pronounced Mariolatry, tries to recruit supporters in Hungary, wooing both Catholics loyal to the official Church and supporters of the "base communities" of the Piarist BULANYI. To this end, members of the movement travel to Hungary where they hold talks and distribute information material.

6. Conscientious Objection

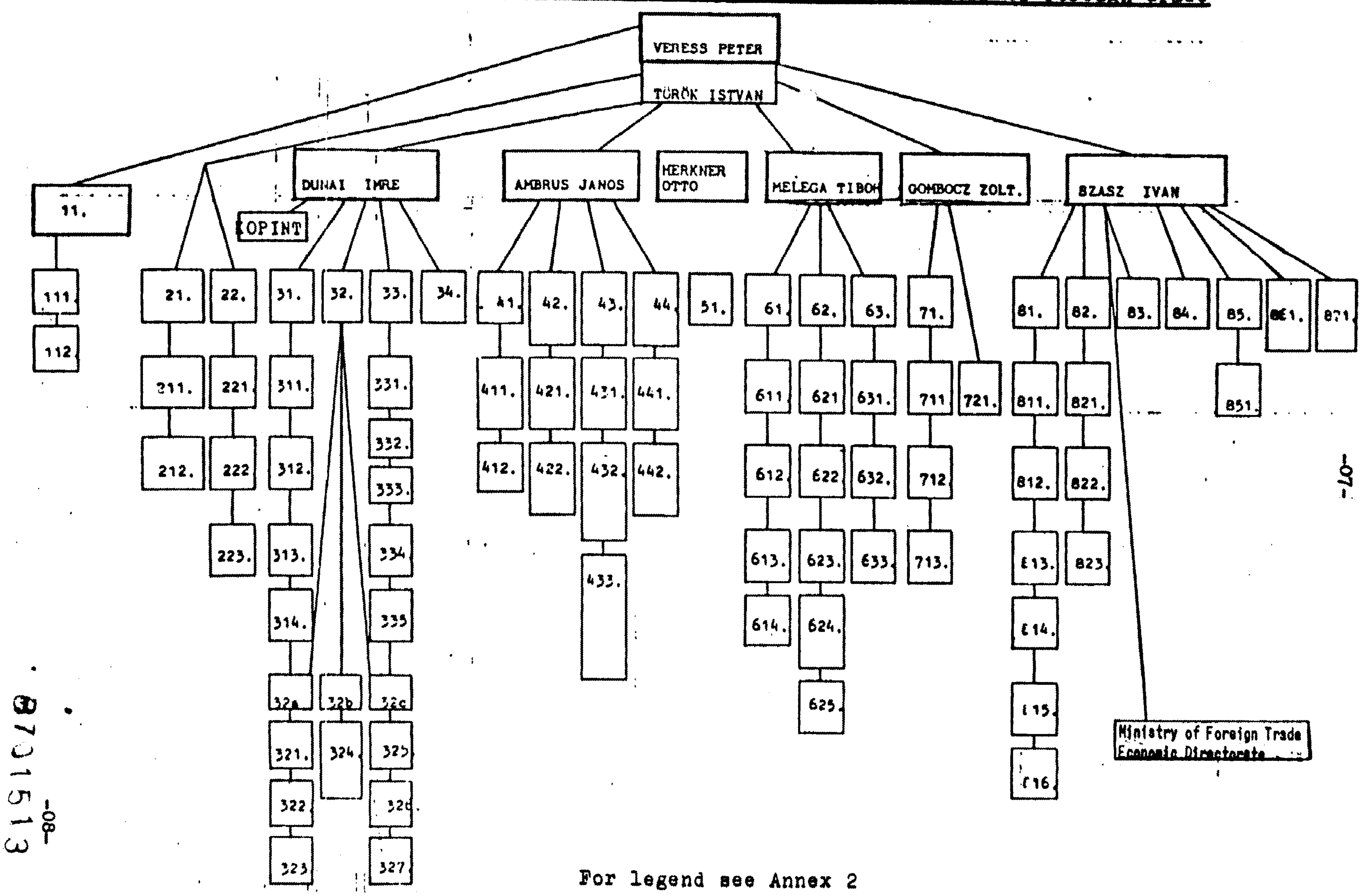
The regime is concerned about the recently growing number of religiously motivated conscientious objectors, even though this development does not appear to have had a major impact on the armed forces.

In late May 1986, a Budapest court martial had sentenced Barna CSONTOS, a strict Catholic, to 31 months in prison, with a view to "making a deterrent example of him". CSONTOS had refused any service requiring a weapon, but had made several petitions declaring his readiness to do "substitute service without weapons".

This stiff sentence as well as the ample coverage by Hungary's press of punishments inflicted on conscientious objectors give evidence of the regime's taking a harder line in this respect. With the leadership of Hungary's Catholic Church having refused on more than one occasion to support conscientious objectors, it cannot be expected to put up any resistance now.

Annex 1

Organizati(..)n and Key Personnel of the Mi(..)stry of Foreign Trade



For legend see Annex 2

07

Annex 2

Organization and Key Personnel of the Ministry of Foreign Trade

1. The area of responsibility of Minister Peter VERESS comprises:
    11. Main Department for Personnel and Training
        Head, Main Department: Ferenc TOTH
        111. Personnel Department: Ivan KALI - Deputy Head, Main Dept.
        112. Training: Laszlo SAGI - Dept. Head
            Foreign Trade Training and Advanced Training Center
            Director: Endre KOVACS

2. The area of responsibility of Secretary of State Istvan TOROK comprises:
    21. Main Department for Agriculture and Food Industry
        Deputy Head, Main Dept.: Istvan SZELES
        211. Dept. for Animal, Animal Products and Fodder
            Dept. Head: Janos HERR
        212. Dept. for Horticultural Products and Industrial Plants
            Dept. Head: Jozsef POSVARI

    22. Main Group for Energy
        Head//Head, Main Dept.: Lajos MRAMURACZ
        221. Dept for Liquid Hydrocarbons and Solid Energy Sources.
            Dept Head: Zoltan VARGA
        222. Dept for Pipelines and Major Investments in the Energy Sector.
            Dept Head: Jozsef CSERNAK
        223. Coordination Group

3. The area of competence of Deputy Foreign Trade Minister Imre DUNAI comprises:
    31. Main Dept. for Prices and Finances
        Head, Main Dept.: Andras PATKO
        Deputy Head, Main Dept.: Janos MÜLLER
        311. Dept for Economic Regulators
            Dept Head: Tamas GACSALYI
        312. Dept for International Finance
            Dept Head: Janos POVAZSAI
        313. Price Dept for Non-Socialist Relation
            Dept Head: Janos CSENDES
        314. Price Dept for Socialist Relation
            Deputy Head, Main Dept: Mihaly GYOR

    32. c Main Department for Planning and Production Policy
        b Head, Main Dept: Mrs Gyula NEMETH
        a Processing Sector: Deputy Head, Main Dept: Ivan NOVAK
        321. General Machine Dept
            Deputy Head, Main Dept: Ivan NOVAK
        322. Dept for Electric Industry
            Deputy Dept Head: Pal SIMAK
        323. Dept for Light Industry
            Dept Head: Peter ENDRODI

Sector for Basic Material: Deputy Head, Main Dept: Gabor SZOBSZLAY

324. Dept for Iron and Steel Industry/Building and Construction Industry
Deputy Head, Main Dept: Gabor SZOBOSZLAY
Coordination Sector: Deputy Head, Main Dept: György PATAKI

325. Dept for Production Policy
Dept Head: Laszlo NEMENYI

326. Planning Dept
Dept Head: Attila HERCZEG

327. Statistics Dept
Dept Head: Imre HORVATH

33. Main Department, Appropriation

331. Material Dept

Dept Head: Gabor FAZEKAS

332. Dept for Principle and Coordination
Dept Head: Tibor BAAN

333. Machine Dept
Dept Head: Denes SZATMARI

334. Relation Dept
Dept Head: Bertalan PALINKAS

335. Industrial Dept
Dept Head: Imre SOSOVICSKA

34. Independent Haulage Dept
Head: Miklos HINFNER

Economic and Market Research Institute
Director: Janos DEAK

4. The area of responsibility of Deputy Foreign Trade Minister Janos AMBRUS comprises:

4.1 Inter-Governmental Main Dept for Socialist Countries (Soviet Union)
Head, Main Dept: Laszlo TIMAR
Deputy Head, Main Dept: Pal SZÜCS
411. Dept for Material and Consumer Goods - Export-Import
412. Dept for Machines - Export-Import

4.2 Inter-Governmental Main Dept of Socialist Countries Excluding the Socialist Countries of Europe, Yugoslavia and Albania
Head, Main Dept: Mrs. Piroska APRO
Deputy Head, Main Dept: Janos CZIBULA
421. Dept for GDR, Romania, Bulgaria
Dept Head: Laszlo TEVELI
422. Dept for Czechoslovakia, Poland
Dept Head: Peter ZAVOCZKY

43. Inter-Governmental Main Dept for Socialist Countries
Head, Main Dept: Tibor HAVASI
Deputy Head, Main Dept: Ference KODMON
431. Group China, Cuba, Nicaragua
432. Group Yugoslavia, Albania, South Yemen, Afghanistan

433. Group Vietnam, Korea, Mongolia, Laos, Cambodia, Ethiopia, Angola, Mozambique

44. Independent Dept - Socialist Integration
Head: Gyula NEMETH - Independent Dept Head
Deputy Head: Peter MANYAI - Deputy Head, Main Dept
441. Group for CEMA Affairs
442. Coordinating Group

5. The field of responsibility of Deputy Foreign Trade Minister Otto HERKNER comprises:
51. Main Dept for Equipment
Head, Main Dept: Ference NEMETH

6. The field of responsibility of Deputy Foreign Trade Minister Tibor MELEGA comprises:
61. Inter-Governmental Main Dept for Developed Non-Socialist countries
Head, Main Dept: Tibor ANTALPETER
Deputy Head, Main Dept: Tamas LASZLO and Gyorgy MIKOSKY
611. Dept for south european countries
Dept Head: Ivan VARNAI
612. Dept for North European Countries
Dept Head: Mihaly SZILAGYI
613. Dept for Central european Countries
Dept Head: Szaboles FAZAKAS
614. Dept for countries Overseas
Dept Head: Ede SZIKLAI

62. Inter-Governmental Main Dept for Developing Countries
Head, Main Dept: Jozsef GOLONCSER
621. Dept for Latin America and Black Africa
Deputy Head, Main Dept: Landor SZABO
622. Dept for African-Arab countries
Deputy Head, Main Dept: Bruno ABCS
623. Dept for Asian countries
Dept Head: Robert PAAR
624. Dept for Asian-Arab Countries
Dept Head: Janos MENYHART
625. Group for Ideological Coordination
Dept Head: peter BALAS

63. Main Dept for Customs Policy and International Organizations
Head, Main Dept: Ferenc FURULYAS
631. Dept for International Organizations
Dept Head: Landor SZABO
632. Dept for Customs Policy
Deputy Head, Main Dept: Adnras SZEPESI
633. Documentation Group
Group Head: Mrs Pal RIFFER

7. The area of responsibility of Deputy Foreign Trade Minister Zlotan GOMBOCZ comprises:
71. Main Dept for Industrial Economy and Control
Head, Main Dept: Ferenc POLGAR
711. Dept for Organizational Development
Dept Head: Mrs Istvan ROMHANYI
712. Dept for Industrial Economy

Dept Head: György GARANCSI
713. Dept for Coordination and Control
Dept Head: Ferenc TAKACS
721. Dept for Chemical Industry
Dept Head: Mrs Marianna

8. The area of competence of Group Head Ivan SZASZ comprises:
81. Main Dept, Secretariat
Head, Main Dept: Lajos KOVACS
811. Secretarial Dept
Deputy Head, Main Dept: Lajos KOVACS
812. Protocol Dept
Dept Head: Tibor HURTON
813. Passport Dept
Dept Head: Mrs Imre HELLI
814. Translation Dept
Dept Head: Clarissa L'AUNE
815. Information Dept
Dept Head: Endre MARINOVICH
816. Directive Group
Group Head: Mrs Janos HAJDU

82. Legal Dept
Head, Main Dept: Gabor BANREVY
821. Dept for Draft Bills
Dept Head: Peter NARAY
822. Dept for Integration Relations
Dept Head: Mrs Janos JUHASZ
823. Dept for International Law
Dept Head: Sandor BOJTOR

83. Independent Dept for Legal Control
Dept Head: Mrs Szöke FRÜHAUF

84. Independent Budget Dept
Independent Dept Head: Attila KISS

85. Head, Main Dept. Endre RIGO
851. Administrative Dept
Dept Head: György TAUSZ
861. Central Cipher Service
Head: Gyula SZIJJ
871. Party Service Bureau
Adviser to the Ministry: györgy DALMADI

Economic Directorate of the Foreign Trade Ministry
Director: Jozsef KRAJCSOVITS

Thailandia // VS-NfD

135/C

20 October 1986

ECONOMIC REPORT

Subject : Thailand: Cooperation in Drug Traffic between KUOMINTANG, WA NATIONAL ARMY and BURMA COMMUNIST PARTY

DOI : September 1986

Evaluation : F - 3

Summary

1. The WA NATIONAL ARMY cultivates opium-poppy fields on Burmese territory for the KUOMINTANG and supports the drug transports to Thailand, which are carried out by the BURMA COMMUNIST PARTY.

2. For various reasons, the Thai security organs are not capable of putting an end to these transports.

Report

From sources of Burmese minority groups:

1. KUOMINTANG members living in the Thai border area with Burma who are active in the drug traffic are cooperating with members of the WA NATIONAL ARMY (WNA) and the BURMA COMMUNIST PARTY (BCP):

   - Against payment, the WNA cultivates opium-poppy fields on Burmese territory which is under its control and undertakes the military securing of the drug transport routes and the supply of the transport gangs with food.
   - The BCP carries out the drug transports under the leadership of KUOMINTANG members. A gang consists of 200 - 250 BCP carriers and six KUOMINTANG leaders.

   The opium is brought into KUOMINTANG-controlled Thai territory, where it is further processed in refineries. From there, the drug is said to be transported to foreign countries, among others, with the airline "FLYING TIGER".

2. The units of the Thai border police stationed at the Thai-Burmese border are not capable, in terms of number and equipment, of stopping the transports. Moreover, there are difficulties due to impassable terrain, a certain lack of skill, a certain degree of disorganization and, sometime, accompliceship of members of the security organs with KUOMINTANG functionaries. In addition to the Thai security forces, there is the SHAN STATE ARMY (SSA), operating in the same area as the WNA, which attacks the drug transports.

Comment

The above report is complided by further intelligence information, according to which the Thai military aims at cooperating with SSA members. By order of the SSA leadership, SSA members will in future neither be allowed to cultivate poppy fields nor to engage in drug traffic; using drugs is to be forbidden on penalty of death. In cooperating with the SSA, the Thai security organs hope to be capable of completely stopping the above drug transports. The report is a first indication of such a cooperation. In how far growing of poppy and drug traficking will actually be stopped by the SSA, remains to be seen.

The information that the WNA, on territory controlled by it, is growing poppy for the KUOMINTANG, is confirmed by other intelligence.

28 May 1986

SUPPLEMENTARY POLITICAL REPORT

TgbNr.: 1652/86 VSV

Subject: Political Management of the Disaster in the Chernobyl Nuclear Power Plant within the Soviet Bloc: Moscow's Maneuvering and Reactions of the Socialist States

Cutoff Date: Late May 1986

01 . 41

Table of Contents

5.2 Predominance of Soviet will to pursue a course of confrontation

5.3 Further estrangement between the USSR and the U.S. as a result of Chernobyl

II. Other Socialist States

1. GDR

1.1 No protective measures
1.2 Appeasing statements
1.3 Early information of the population
1.4 Anxiety but no panic among the population
1.5 Criticism of the Soviet Union
1.6 On the cancelation of trips of young people

2. Poland

2.1 First reactions
2.2 Polish media policy in respect of Chernobyl
2.3 Further measures of the government
2.4 Reaction of the population
2.5 Assessment

3. Czechoslovakia

3.1 First reactions to Chernobyl
3.2 Press coverage
3.3 Measures of the government
3.4 Reactions of the population
3.5 Assessment

4. Hungary

4.1 General coverage of the accident
4.2 Assessment of Soviet attitudes
4.3 Assessment of Western attitudes
4.4 Measures taken in the country
4.5 Public sentiment

5. Rumania

5.1 Information by Moscow
5.2 Coverage in the media
5.3 Measures taken in the country
5.4 Political assessment
5.5 Reactions of the population

6. Bulgaria

6.1 General coverage of the accident
6.2 Measures taken in the country
6.3 Assessment of Soviet attitudes
6.4 Assessment of Western attitudes

Summary

Soviet Union

1. As far as the attitude of the Soviet leadership in connection with the catastrophe in the Chernobyl nuclear power plant is concerned, four aspects - the information problem, the management of consequent inner-political problems, the removal of intra-bloc tensions and the minimization of damage in the policy toward the West - deserve attention.

2. There were various reasons for Moscow's initial silence, according to numerous statements of Soviet functionaries and intelligence information. They range from an underestimation of the extent of the accident through internal information failures to clashes of responsibility and the unwieldiness of centralist organization of countermeasures.

The impression has been conveyed - also among the Warsaw Pact states - that the Soviet crisis management failed at first. However, the Kremlin has so far done little to clear away the suspicion of the West that it had originally wanted to conceal the accident. Considerable contradictions in the statements of Soviet functionaries about this subject, who partly admitted failures of the information policy, have not been removed. This is no longer expected after GORBACHEV claimed - with dubious arguments - a correct information policy for the Kremlin. A comparison with the Soviet maneuvering after the downing of the KAL aircraft (01 September 1983) suggests itself. The question remains open whether Moscow will draw consequences for its future information policy in similar cases.

3. As far as the internal management of the aftermath of the accident is concerned, the Kremlin is arguing/operating at several levels at a time and is ready to accept contradictions:

- Along the lines of Communist ideals, the struggle with the reactor is "positively" interpreted as "heroic acts" performed during a warlike situation.

- The media systematically convey the impression of normal living conditions in the regions adjoining the disaster area. The problem of long-term injuries to health for parts of the population (delayed evacuation measures) has been tabooed.

- The Kremlin informs the Soviet citizens of the actual state of affairs only in well-judged doses: No information, for instance, is released on the conditions and reasons for evacuation measures in the area of Gomel. The population affected is prepared step

by step for the fact that the contaminated area around the nuclear power plant will not be fit for habitation again in the long run and partly not at all (no date for a possible return is given). The experts are still in quest of the most effective decontamination methods. Neither has a clear solution been obtained in the question of the agricultural usability of the contaminated farmland. For the first time, substantial losses of the Ukrainian agriculture as a consequence of the accident have been admitted officially (Prime Minister LYASHKO).

- The Soviet population has so far not been informed of the cause of the disaster. There are only rare critical statements about human failure and technical defects. At least, though, requirements for technical improvements in the Soviet nuclear power plants are voiced and, at times, the failure of the regional bureaucracy in mastering the evacuation problems is excoriated. Press reports on overtaxed and exhausted hospital personnel, police, etc. suggest inadequate operational planning.

- The Kremlin has pointed out that it intends to further develop nuclear energy also in future. The Chernobyl nuclear power plant is to be put into operation again as soon as possible and later to be expanded according to schedule (fifth reactor). Nevertheless, the Soviets have meanwhile officially admitted that neither in future will there be a total protection from a repetition of the accident of Chernobyl. A basic contradiction raised in the West already for a long time has thus gained entry also in the Soviet assessment of nuclear power. Even if it will not take effect in the Soviet Union for the time being, Moscow will in future have to take into account a greater awareness of the allies of the problems related with this issue (not least under the influence of political controversies in Western Europe). The Soviet press is already now polemizing against Western antinuclear protesters on an ideological basis.

4. Moscow's prestige in the Soviet Bloc has suffered not a little due to Chernobyl. The Soviet information policy met, also there, with a lack of understanding and internally expressed indignation. With the help of selective measures, the Soviet Union tries to counteract atmospheric tensions in the Bloc (expert aid for Poland/Rumania, alleged promise of GORBACHEV to revise Soviet information policy). The subject of Chernobyl is to be discussed at the forthcoming meeting of the Political Consultative Committee in Budapest (10/11 June 1986). Although the CEMA states only recently advocated again an accelerated expansion of the nuclear energy industry, Moscow cannot rule out for the future that nuclear power will cause raised eyebrows among the allies (e.g. first signs of rejection in the Polish population). Moreover, the partly demonstrative renunciation of the claim for damages on the part of individual Warsaw Pact states will hardly protect Moscow from the fact that this and the problem of long-term injuries to health will cause bilateral tensions and resentments.

5. As far as the West is concerned, the Kremlin showed only little interest in minimizing the extent of damage. Measures were confined to acknowledging the interest shown by Western

states in the reactor accident and to submitting a catalogue of proposals for intensifying the international cooperation on nuclear energy issues (by GORBACHEV). Apart from that, the Soviet attitude is characterized mainly by confrontation. The Kremlin has so far not faced up to Western criticism of its information policy in a non-polemic way. It showed no understanding for the safety problems/interests of the West Europeans in view of th sudden radiation exposure. Considerations about claims for damages were countered by polemic menaces. The Soviet press campaign against alleged Western attempts to utilize Chernobyl for hindering the dialogue between the East and the West and the progress of negotiations on arms control is continued. On the whole, the reactor accident appears to have considersably deepened the political estrangement between the two world powers, which GORBACHEV possibly considers useful for helping him over the loss of his foreign-political prestige. Given these circumstances, though, rapid East-West agreements on improved cooperation on nuclear energy issues cannot be expected.

GDR

The GDR tried relatively early with appeasing statements to prevent a feeling of uncertainty among the population. This was rather successful because the population regarded the reports in the West German media as exaggerated. Criticism of the Soviet Union was voiced internally also among leading circles of the GDR because of the inadequate information policy. A marked increase of hostility of the population toward the Soviets, though, was not registered.

The cancelation of trips of young people from the Federal Republic of Germany was used for purposes of polemics.

Poland

According to intelligence information, Poland had been informed by the Soviet Union directly after the Chernobyl accident on 26 April 1986 but reacted officially - like the other Soviet Bloc states - for the first time on 29 April 1986. Between 26 and 29 April 1986, though, intensive preparations for a mass supply of the population with iodine medicaments were made in the country.

In contrast with the sluggish Soviet information policy, the Polish leadership informed the population in a remarkably open and relatively detailed way. This was probably due to the fact that, given the only superficially stabilized internal security situation, panic and unrest accompanied by anti-Soviet sentiment were to be avoided. The primary concern of the government was therefore to prevent a dramatization of events. Contents and intensity of measuring data and other information were therefore controlled deliberately.

The West, too, was extraordinarily well informed by an intensive exchange of information and cooperation; this served i.a. the purpose of demonstrating the openness and credibility of Poland.

Poland did not take part in the propagandistic diversionary tactics toward the West as initiated by GORBACHEV; it focused its attention both on the Soviet proposals for international cooperation in the field of nuclear safety and on dealing with the EC ban on imports, by which it was affected.

Besides the hectic medical mass supply which made evident rather the helplessness and uncertainty of the government as to the development after Chernobyl, the Polish government issued a number of recommendations and concrete orders which were monitored and enforced in eastern Poland partly rigorously. One success for the government is the agreement on future information in the case of reactor accidents made with the Soviet Union already on 05 May 1986.

For realistic reasons, Poland wants to renounce any claims for damages against the Soviet Union. Although the hitherto nuclear energy policy is to be pursued also in future, Poland wants to examine the safety provisions so far applied in the construction of nuclear power plants. Serious delays in the construction of nuclear power stations cannot be ruled out, according to Polish functionaries.

Chernobyl gave the population a deep shock. Mainly in eastern Poland there were panicky reactions; at sporadic demonstrations against nuclear energy, latent anti-Soviet sentiments existing in Poland were openly voiced. In the whole country the population reacted with the hoarding of goods, particularly milk powder and iodine medicaments.

The information policy of the government was regarded with great skepticism; the population largely drew its information and opinions from listening in to western radio stations, which influenced certain attitudes of the people.

Chernobyl led to a nation-wide sensitization of the population in environmental matters and dangers of nuclear energy.

Despite all tensions, the Polish government succeeded in keeping the internal security situation largely stable. Nevertheless, it cannot be ruled out that the regime will in future have to deal with a new form of internal opposition by the creation of environmental groups.

The relationship of Poland with the Soviet Union will not suffer lasting damage on account of Chernobyl; but Poland could, upon final assessment of the damage caused by the reactor accident, use Chernobyl in future as an argument for further economic aid of the Soviet Union to Poland and, together with other Soviet Bloc states concerned, urge a revision of the Soviet safety philosophy for nuclear power X plants in order to reduce risks in future.

Through its relatively open and largely credible information

policy and readiness for cooperation, Poland improved its standing with the West.

Czechoslovakia

Unlike Poland, the Czechoslovak leadership was clearly hesitant in informing the population and taking active precautionary measures and it oriented itself meticulously at the Soviet information pattern. As the first official information about the reactor accident, a short report appeared in Rude pravo on 29 April 1986 (quotation from TASS), although - according to Czechoslovak diplomatic circles - the Soviet Union reportedly informed the Czechoslovak leadership of the accident immediately. As in Poland, a blackout on information was reportedly agreed, which could not be maintained on account of Western publications.

Only on 07 May 1986 the authorities (commission for nuclear energy) admitted an increased radiation for Czechoslovakia as well as measures taken by the government. The population was only advised to "observe all principles of hygiene"; any concrete recommendations how to behave were not given.

The stereotyped and largely meaningless information policy was maintained. Thew government concentrated its reports about Chernobyl clearly on the assessment of political aspects and the Western reaction to Chernobyl in accordance with the Soviet media. It imputed to the West that it wanted to utilize the reactor accident for political blackmail of the Soviet Union and for diversion from Soviet disarmament initiatives and to support anti-Sovietism via the media spreading hysteria. The climax of this "diversionary campaign" fully supporting the Soviet tactics and governing the Czechoslovak media was reached in the comments on the television speech of GORBACHEV on 14 May 1986.

According to Prague, the Western attitude has a "boomerang effect" since the world public has been made sensitive by the Western tactics adopted in connection with Chernobyl to the consequences of a nuclear war.

Especially the media of the Federal Republic of Germany were exposed to harsh criticism ("offspring of HITLER and GOEBBELS").

Although, to the outside world, the Czechoslovak government pursued an information policy belittling the events for fear of possible unrest among the population, internal directions to subordinate organs show that the Czechoslovak leadership took concrete measures which were similar to those of other states. The sale of easily affected foodstuffs was continued and conveyed the impression that nothing was done at all. The population generally remained calm and disciplined. Only in the western parts of the country (Plzen) were there reportedly limited protests and assemblies of crowds due to the good reception of Western media.

On the whole, Chernobyl made Czechoslovakia once again give

evidence of its total dedication to Soviet interests and subordinate even risks for its own population to this traditional basic attitude.

Czechoslovakia will continue its nuclear energy policy without limitations; it underlines the high safety level of Czechoslovak nuclear power plants.

Hungary

Hungary's coverage of Chernobyl was restrictive. Budapest was sparing with criticism of the Soviet information policy in connection with the accident. It took, however, part in the Soviet Bloc exculpation campaign in favor of the Soviet Union.

Measures for the protection of the population had already been initiated before 03 May. Nevertheless, people often showed irritation, fear and embitterment.

Rumania

Information in the media about Chernobyl and the repercussions for Rumania were also meager as Bucharest reproached the Soviets behind the scenes. Nevertheless, precautionary measures for the population were ordered which were to serve its protection.

The only critical comment on the events voiced by the Rumanian side was a casual public statement of CEAUCESCU which may regarded as a criticism of Moscow's restrictive information policy.

The Rumanian population was hardly aroused from its lethargy on account of the events.

Bulgaria

Sofia pursued a very restrictive course in its reports on Chernobyl. Bulgarian criticism of the Soviet Union has so far not been noted. Bulgaria was most reserved in taking preventive measures for its population. It takes a major part in the exculpation campaign in favor of the Soviet Union and its information policy.

Yugoslavia

The coverage of the Yugoslav media on Chernobyl and the consequences tried - apart from some digs at Moscow's information policy - to show matter-of-factness and to reach a balance between the problems of the Soviet Union, on the one hand, and the reaction of the West on the other. The fact that the EC imposed a ban on

imports also from Yugoslavia was heavily criticized.

The concern among the population was not very great. Nevertheless, youth forums and other organizations demanded that Yugoslavia should stop the use of domestic nuclear power in future. Belgrade, though, leaves open all possibilities of a further development of nuclear power.

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I. Soviet Union

1. Sectors of priority in Soviet crisis management after the nuclear disaster

As far as the attitude of the Soviet leadership in connection with the catastrophe in the Chernobyl nuclear power plant is concerned, four aspects deserve attention:

- the information problem
- the inner-political management of the aftermath of the accident
- the removal of negative effects in the Bloc
- the minimization of damage in the policy toward the West

2. The information problem

2.1 Indications of initial failure to manage the crisis

Thanks to meanwhile numerous statements from the Soviet Union and to intelligence information, the reasons and motives for the originally stubborn reluctance of the Soviet authorities and media to give comments on the catastrophe in the Chernobyl nuclear power plant can be explained better. On the one hand, the Soviet leadership was caught unprepared (no directions for precautionary measures) by the accident. It was not without reason that GORBACHEV pointed out the uniqueness of the accident in his television speech on 14 May 1986. On the other, the Kremlin had reportedly been informed in the beginning only incompletely and incorrectly because those in charge at the site of the reactor had underestimated the extent of the accident. Finally, the unwieldy organization of counter-measures from Moscow (government commission headed by SHCHERBINA; Politburo group headed by RYZHKOV) and clashes as to responsibility appear to have temporarily hindered the work in the accident area (GORBACHEV reportedly prohibited SHCHERBITSKIY from acting on his own, especially in the information sector).

The lack of a proper grasp of the situation and the failure of the Soviet crisis management are thus obviously a major motive for Moscow's initial silence. Representatives of other Warsaw Pact states, too, internally spoke of considerable coordination problems. The magnitude of the decision-making problems and practical difficulties caused by the Chernobyl accident were presumably the reason why GORBACHEV delayed his first public comment for such a long time: He probably wanted to wait for the moment when the experts would have got the reactor under their control to an extent that he could mark more or less the turn for the better with his statements on the event.

2.2 Contradictions in the Soviet Assessment

Given these circumstances, GORBACHEV's statement that the Soviet leadership informed the national and international public after the "first pieces of reliable information" had been available is in contradiction to the facts. This had been the case in the afternoon of 28 April 1986 at the latest, according to various indications, though, already much earlier:

The General Secretary was informed of the incident for the first time on 26 April 1986. The population of Pripyat' was evacuated in the afternoon of 27 April 1986. PRAVDA (06 May 1986) later even tried to convey the impression that this measure had been carried out already in the morning of 26 April 1986. On that day the Kremlin informed the Polish leadership (according to information obtained, also Czechoslovakia within that short time) of the reactor accident (compare also Der Spiegel interview with FALIN), which therefore early initiated covert counter-measures but could not use this information publicly.

The allegation subsequently launched by intelligence circles that the Soviet leadership had originally not reckoned with the risk of border-crossing radioactive contamination therefore proves to be "official phraseology". Symptomatic of the lack of perspicuousness of Soviet arguments is the fact that GORBACHEV dealt in his television speech neither with the chronology of the reactor accident nor with the flow of information and course of actions within the Soviet hierarchy (he does not give a single date). The Soviet leadership has therefore done little to dispel the suspicion that it had originally wanted to withhold the Chernobyl reactor accident and its extent from the states of northern, western and southern Europe. This is underlined by the first piece of information obtained, according to which a public announcement of the reactor accident had originally not been planned.

2.3 Parallelism of action after Chernobyl and the downing of the KAL plane

On the whole, available Soviet statements on their own information policy convey the impression of striking contradictoriness which could not be removed so far. On the one hand, GORBACHEV claimed that the Kremlin had acted correctly in this matter, although he himself made this claim appear dubious when he falsely alleged that in the case of the reactor accident of Harrisburg in 1979 the American public and the House of Representatives had been informed only after ten days. On the other, Soviet functionaries such as FALIN and ARBATOV, but also Pravda, regretted the delayed information at home and abroad about the catastrophe of Chernobyl as a fault and thus left open the possibility of acting differently in future.

It is of interest that the same line of arguments could be observed in September 1983 when the KAL plane had been downed (01 September 1983): Whereas AFANASEV, on the occasion of his stay in England, unmistakably blamed the Soviet Air Forces for that incident, ANDROPOV expressly approved the conduct of the military in a very late comment (29 September 1983). In this way, verbal concessions are made to Western criticism (serving as a vent) without tying down the political leadership.

3. Kremlin arguments at several levels for internal management of the aftermath of the accident

As far as the internal management of the catastrophe of Chernobyl is concerned, the Kremlin has, since the gradual opening of its information policy, adopted a tactics including several levels of conduct/argumentation. Contradictions arising from this tactics are obviously taken into account and have so far not had any major influence on the public sentiment.

3.1 The militant-heroic aspect of the struggle with the reactor

Along the lines of Communist ideals, the Soviet media turn the dreadful disaster positively into an opportunity for hero worship in order to enhance the value of the relief measures in the area of the disaster in a constructive way. The self-sacrifice and heroic courage of the experts/teams working in the vicinity of the reactor (with the Communists always in the front line) is described in detail, often with militant vocabulary (comparison with war; employment in Afghanistan as a qualification mark). The struggle with the reactor is thus regarded as a test of the Socialist social system.

3.2 Appeasement tactics concerning the problem of health risks

The Soviet media systematically convey the impression that normal living conditions are prevailing in the regions adjoining the area of the accident and that there are no health risks due to radiation exposure. Published results of examinations made of the population evacuated show no alarming findings. The problem of long-term injuries, though, is tabooed as much as the related question of the consequences of delayed evacuations (e.g. Pripyat') for the Soviet citizens affected. Kiev is depicted by the media as a city overflowing with tourists. The precautionary health measures still in force there are not made known to large sections of the Soviet populations.

3.3 Information about the actual state of affairs only in well-judged doses

The Soviet administration informs the population of the actual state of affairs only in well-judged doses. The evacuation of 26,000 people from the area of Gomel', for instance, was reported more or less as a fait accompli and without any dates. As against western sensational reports, the danger through radioactive emissions in this region had been downplayed before.

Although GORBACHEV still conveyed the impression in his television speech that the contaminated area could, with the help of appropriate measures, be declared a normal residential area again relatively quickly, the Soviet experts have meanwhile become hesitant about making clear statements. The population of the area of the accident will not be able to return to their dwellings this year. A date for the future has not been fixed; temporary accommodation is already being installed. According to the latest statements of Soviet media/functionaries, part of the evacuated Soviet citizens will never again be able to return to their dwellings but will have to settle down in other regions of the Soviet Union.

According to their own statements, the Soviet scientists are still in quest of the most effective methods for the decontamination of soil and buildings. Neither has a clear solution been obtained in the question of the agricultural usability of the contaminated farmland. Moscow reportedly took recourse to Czechoslovak experts in order to find a proper solution. After manifold arguments aimed at concealing the truth, the Ukrainian Prime Minister LYASHKO for the first time officially admitted substantial losses suffered by agriculture in this Soviet republic as a consequence of the reactor accident.

Deputy Prime Minister VORONIN announced that he would submit an activity program by 15 June 1986 (it is probably to be presented to the CPSU Central Committee plenary meeting taking place on 16/17 June 1986), which is to contain i.a. a catalogue of measures for the decontamination of the area of accident. These announcements give only indirect hints of the actual extent of the nuclear disaster for the population.

3.4 Rare statements about shortcomings in crisis management and the need for improved nuclear technology

The population has so far not been informed in detail of the causes of the disaster. There are only sporadic critical statements about human failure and technical defects in connection with the nuclear accident. At least, though, Deputy Prime Minister SILAYEV publicly underlined the requirements for technical improvements in the Soviet nuclear power plants. Failures in crisis management may be inferred by the population only from few press reports. The bureaucracy in the crisis area appears either to be overtaxed

with the care for the evacuated population or to react to the accumulation of problems with the usual "indifference"/ "lack of responsibility". The vocational groups on which the aftermath of the accident made excessive demands - such as physicians, hospital personnel and police - show symptoms of exhaustion. This suggests totally inadequate operational planning.

3.5 Moscow's advocacy of the further development of nuclear energy although being aware of the repeatability of Chernobyl

The Soviet leadership unmistakably pointed out that it intends to utilize and further develop nuclear energy also in future. It therefore plans to put the three intact reactors of Chernobyl into operation again as soon as possible and to build a fifth reactor at a later date. Nevertheless, a basic contradiction known in the West already for a long time has now gained entry in the inner-Soviet assessment of nuclear power. Whereas, according to Pravda (21 May 1986), the peaceful utilization of nuclear energy has, in general, proved "viable" and "safe", SILAYEV pointed out nearly at the same time that neither in future will there be a total protection of the reactor accident of Chernobyl. It cannot be ruled out that this skeptical statement reflects the realization of the Kremlin that in future it is no longer dependent on concealing grave nuclear accidents for reasons of preserving the claim of social superiority.

It is not expected, though, that these first signs of skepticism concerning the control of nuclear technology will rapidly have influence on the attitude of the population, but Moscow will in future have to take into account a greater awareness of the problems related with this issue as a consequence of Chernobyl on the part of its allies. The Soviet press is already now polemizing against Western antinuclear protesters. It ignores, however, their political arguments and underlines, on an ideological basis, the allegedly activated lobby interests of American petroleum companies.

4. Repercussions in the Soviet Bloc

4.1 Moscow loses political and technological prestige with its allies

Moscow's prestige in the Soviet Bloc (both politically and technologically) has doubtless suffered considerably due to the disaster of Chernobyl. Since early warnings given to the political leaderships in Warsaw and probably in Prague (but possibly also to other Warsaw Pact states) were not published, lack of understanding and indignation on the part of the population and even of functionaries of these states about the official Soviet information policy were inevitable.

4.2 Soviet efforts to minimize the extent of damage

The Soviet leadership tried relatively rapidly to counteract atmospheric tensions in the Bloc by selective measures. On the one hand, GORBACHEV reportedly already promised his Warsaw Pact partners that failures in informing the public as in the case of Chernobyl will be excluded in future. On the other, the Soviet leadership sent experts to Poland and Rumania (the brother countries which were probably affected most by radioactive emissions) in order to assist there in the necessary examination and relief measures. Already on 05 May 1986 the Soviet Union agreed with Poland on principles of mutual information in the case of future nuclear accidents, which, characteristically, apply for the time being only to Moscow, since no nuclear power plants have yet been put into operation in Poland. According to intelligence information, the subject of Chernobyl is to be discussed at the conference of the Political Consultative Committee of the Warsaw Pact already convened in Budapest (probably on 10/11 June 1986).

4.3 The risk of future energy problems in the Warsaw Pact as a consequence of Chernobyl

In its Bloc policy the Kremlin will have to take into account that problems of energy policy due to Chernobyl will arise, the effects of which for the future are hardly predictable. There is the actual risk that nuclear power will be talked about with distrust among the "brother countries" - not least under the influence of political controversies in Western Europe. The first protests were made by the Polish population against nuclear energy, to which the Polish authorities reacted remarkably defensively. Discussions on this subject could take place also in the GDR and Hungary, although in the "ecological scene" of the Hungarians there are currently no indications of a basic resistance against nuclear power as an important energy source. At present, though, the CEMA states voted at the 119th conference of the CEMA Executive Committee in Moscow (20 - 22 May 1986) for the accelerated development of nuclear energy (approval of a draft program till the year 2000). Yugoslavia, however, (which is an associate member of CEMA) preliminarily stopped the development of nuclear energy. Although the allies partly demonstratively renounced any claims for damages against Moscow, the problem of long-term injuries to the health of parts of the population in individual Warsaw Pact states will remain and possibly produce future tensions and resentments (Poland!) in the relationship with Moscow.

5. Limited Soviet interest in minimizing the damage in the policy toward the West

5.1 Positive aspects of Soviet arguments vis-a-vis the West

As far as the relationship with the West is concerned, Moscow showed only little interest in minimizing the extent of damage after the nuclear disaster. In his television speech GORBACHEV, on the one hand, submitted a catalogue of proposals for intensifying the international cooperation on nuclear technology issues within the framework of the International Atomic Energy Agency (IAEA). In this context the Soviet Union claims to have always shown a great interest for the work of this U.N. institution. On the other, the Kremlin praised the sympathy and aid offers of numerous - also Western - states.

5.2 Predominance of Soviet will to pursue a course of confrontation

Apart from the above-mentioned positive aspects, the Soviet arguments are characterized mainly by confrontation. Western criticism of the Soviet information policy has so far been answered by the Kremlin with irrelevant counterreproaches. Even GORBACHEV himself showed no understanding for the feeling of insecurity and the problems of what to do after radioactive contamination, although these problems had been caused by the Soviet refusal to give any information. Moscow's media and, internally, Soviet functionaries polemize against allegedly superfluous precautionary measures and politically motivated scaremongering in the West. To Western considerations about claiming damages the Soviets reacted most angrily: On the one hand, they demand compensation for the public "disparagement" of the Soviet Union in the West after the reactor accident, on the other, they intend to claim damages in the case that components from the West installed in Chernobyl had been responsible for the nuclear accident.

5.3 Further estrangement between the USSR and the U.S. as a result of Chernobyl

The Soviet media continued their polemic campaign according to which the states of the West want to utilize the reactor catastrophe of Chernobyl only for hindering the East-West dialogue and circumventing arms control negotiations aimed at achieving results. Since the reproaches are still directed mostly against the U.S., the impression is conveyed that Chernobyl - in connection with other elements of tension - has considerably contributed to a new estrangement between the two world powers. GORBACHEV possibly considers this development useful because in this way he is better able to bridge over the loss of prestige suffered in the West. It remains to be seen how in such an atmosphere of tensions in the East-West relation-

ship a rapid agreement on intensified international cooperation
in nuclear energy issues can be reached.

II. Other Socialist States

1. GDR

1.1 No protective measures

According to reliable intelligence information, the GDR took no protective measures since radiation measured was not harmful to the health in the opinion of the state office for reactor safety and radiological protection.

This is in line with the statement of the president of this office, state secretary Prof.Dr.Georg SITZLACK, published in "Neues Deutschland" of 08 May 1986; it reads as follows:

"The results of the thorough controls carried out by the state office for reactor safety and radiological protection show that - as already reported - no health risks for the population of the GDR have existed or now exist on account of the radiation situation on the territory of the GDR due to the damage in the Chernobyl (USSR) nuclear power plant.

State Secretary
Prof.Dr.Dr.Georg SITZLACK
President of the State Office for Reactor Safety and Radiological Protection of the Council of Ministers of the GDR"

1.2 Appeasing statements

The same issue of "Neues Deutschland" also reports on consultations of an expert group of the WHO in Copenhagen.

It says that special measures and rules of conduct are required only in the area of the accident itself. There is no necessity to give recommendations on what to do as various states did, e.g. not to go into the open air, not to drink milk or rain water.

These publications are obviously aimed at counteracting information which was spread in the Federal Republic of Germany and reached the GDR population via television and radio.

1.3 Early information of the population

On the whole, the GDR tried relatively early to appease the population by objective information. On 02 May 1986 "Neues Deutschland" published an article of the professors Karl LANIUS, director of the Institute for High-Energy Physics of the Academy of Sciences, and Günter FLACH, director of the Central Institute

for Nuclear Research of the Academy of Sciences, which said that there are no health risks and that the two nuclear power plants of the GDR have most effective safety installations.

In the following days "Neues Deutschland" published statements from the Federal Ministry of the Interior in Bonn and from the nuclear research center in Karlsruhe, since, as the GDR obviously hoped, they would appear more credible for the population than official GDR statements.

1.4 Anxiety but no panic among the population

The necessity to publish such statements in the GDR press suggests that the population felt alarmed to a certain extent.

First pieces of intelligence information on the atmosphere among the population confirmed this anxiety.

There were lengthy discussions on the damage in Chernobyl. Criticism of the information policy of both the Soviet Union and the GDR was voiced; people follow the Western media with interest. Despite the criticism of the GDR media, Western reports are regarded as exaggerated. People partly feel uncertain about the possible consequences of the reactor accident pointing out also the contradictory information from the West.

Individual citizens who thought they were most jeopardized after stays in the Soviet Union, directly turned to the office for reactor security, which answered the questions objectively and appeasingly.

An increase of anti-Soviet sentiment, though, was not registered.

1.5 Criticism of the Soviet Union

According to intelligence information - though foreign representatives of the GDR - the attitude of the Soviets, especially their information policy, was not met with approval in the GDR, even in party circles people were annoyed. Moscow had reacted headlong to the unexpected situation.

The GDR foreign representatives even uttered the opinion that this kind of information policy of the Soviet Union had been injurious to its credibility in the disarmament negotiations.

1.6 Cancelation of trips of young people

No final assessment can yet be made of the reaction of the GDR leadership to the cancelation of trips of young people from Baden-Württemberg. The heavy reproaches directed at the supposed initiators of the cancelation deliberately showed no understanding for the concern of the parents who did not want to

expose their children to the increased radiation in the East. The furious over-reaction of the GDR reminds one of the campaigns against the Federal Office for the Protection of the Constitution in 1984 when under that pretext the GDR dropped again the exchange of young people which had taken place for some time. Now, too, the GDR has canceled again trips of young people already arranged for (exchange GDR - Baden-Württemberg). One reason for this attitude is probably the wish to show the Soviet Union that the GDR is well aware of the anti-Communist policy of "leading circles of the FRG" backing the U.S. This conflict, though did probably not have a soothing effect on the GDR population.

2. Poland

2.1 First reactions

Meanwhile there are concrete indications that the Polish government had obtained information from the Soviets already on 26 April 1986 immediately after the reactor accident in Chernobyl (approx. 500 km southeast of Poland). According to credible intelligence information, Polish functionaries made inquiries about iodine inventories in hospitals and pharmacy centers already on the morning of 26 April 1986. Already on 29 May 1986, the government started with the mass distribution of iodine medicaments to approx. 10 million Polish children and, on a voluntary basis, also to grown-ups - a measure requiring a certain period of preparation.

Nowosti head FALIN, too, said in an interview that a "very nearby country" had been informed immediately (a statement confirming the above information).

It is very probable that information on Chernobyl was passed on at first only to a small circle and that preparations made were kept strictly secret. This assumption is confirmed by the fact that Polish functionaries showed themselves totally surprised immediately after the publication of the accident and made concerned and critical comments on the bad information policy of the Soviet Union. The voivodship administrations were informed by telegram only in the late evening of 28 April 1986.

The Polish broadcasting service informed the population of the accident in the morning hours of 29 April 1986, only referring to the TASS publication from Moscow the evening of 28 April 1986.

Moreover, the setting-up of an ad hoc government commission, headed by Deputy Premier SZALAJDA, for the investigation of the consequences to be expected for Poland and the coordination of all measures and information of the population as well as the establishment of direct contacts by the Polish government with Soviet authorities were announced. Additionally, the installation of another 200 measuring stations was planned.

The Western media were informed during the days of crisis with remarkable candor of the effects and measures at various international press conferences.

The first official reports in the Polish media (Trybuna Ludu), though, appeared only on 30 April 1986 with reference to the TASS report.

2.2 Polish media policy in respect of Chernobyl

In contrast with the sluggish Soviet information policy, the media informed the population in an unexpectedly open and detailed way. This attitude obviously served not only to avoid panic but also not to further deteriorate the already strained relationship of trust between the party/government and the population by an incident outside their sphere of influence and to reduce to a minimum an open outbreak of latent anti-Soviet sentiment of the Poles. The government was also aware of the fact that especially in Poland large sections of the population avail themselves of Western radio services and other media in order to inform themselves and form an opinion, which was confirmed again in the case of Chernobyl, according to various pieces of information. For this reason alone the Polish government was forced to inform the p.ople in an active way; at the same time it was clever enough to seize the opportunity to reduce the population's deep general mistrust of the credibility of the Polish media and, at the same time, the counteract Western influences. The information policy vis-a-vis the West, too, was an attempt of the Polish leadership to represent itself as a candid and reliable interlocutor for the future.

Open criticism of the inadequate Soviet information was hardly voiced officially - apart from at first badly informed functionaries and diplomats; it manifested itself more or less indirectly in the immediate and comprehensive precautionary measures, the close cooperation with Western states (exchange of data and information) and the readiness to submit any information immediately to international organizations (IAEA, WHO).

Significantly, Poland - unlike Czechoslovakia and Bulgaria - has so far not taken part in the propagandistic diversionary maneuver initiated by GORBACHEV (connection of the Chernobyl accident with East-West problems, security and disarmament policy). GORBACHEV's television speech of 14 May 1986 had been printed word for word but without any comment in the press; supplementary comments on the part of the government have not been given so far.

Neither were the Western medias - with the exception of an attack of the government spokesman, URBAN, on the radio station Radio Free Europe (RFE) and American media - exposed to any severe cristicism; what little criticism there was referred to incorrect information about the situation in Poland. More attention was paid by the Polish press to the import ban on foodstuffs from certain Soviet Bloc states, including Poland, as announced by the EC. The leadership

tried with the help of intensive counterstatements to convince the West - not least by its close cooperation with Western states and international organizations - that no danger emanated from Polish agricultural products for Western consumers.

The EC resolutions are thus interpreted as a politically motivated measure - especially vis-a-vis Poland - and as discrimination. This, the Poles argue, is proved by the fact, that other states affected by the radiation - such as Finland and Sweden, were exempted from these restriction. Both internally and officially there are fears that the future export chances for Poland's agriculture will be impaired and the Polish economy as a whole be influenced negatively (losses are estimated at approx. US $ 50 - 55 million). On the whole, though, the Polish side, too cannot give an exact estimate of the expected economic consequences for the time being.

2.3 Further measures of the government

Apart from the medical mass supply, which, given the hectic way in which it was carried out, can rather be seen as an expression of helplessness and insecurity of the government about the development to be expected shortly after the Chernobyl accident, the Polish leadership - similar to the measures taken in the West - issued a number of recommendations to the population concerning conduct and consumption of particularly jeopardized foodstuffs such as green vegetables and fresh milk. The militia and ZOMO (riot police) strictly controlled, and partly even by the use of violence enforced, the observance of directions given to foodstuff producers and the agricultural enterprises in order to avoid a more intense contamination of foodstuffs (for example, stabling of the cattle, feeding with dry feed etc.). The peasants were threatened with imprisonment if they put the cows out to pasture, and harvest and sell fresh vegetables.

Schools and kindergardens in northeastern Poland were closed temporarily.

In the western parts of the country (Pomerania, Silesia) the authorities mostly confined themselves to giving recommendations and advice. Despite all candid information, the Polish government primarily wanted to avoid any dramatization and open unrest. Contents and intensity of measuring data and other information were therefore controlled deliberately and used for supporting the directions to be given.

A certain success for the Polish leadership is the bilateral agreement on "principles of mutual information in the case of future nuclear accidents" already entered into with the Soviet government on 05 May 1986.

In this context it is worth mentioning that the Polish media laid special emphasis on GORBACHEV's proposal for international cooperation for nuclear safety (in contrast with the attacks on the West).

Zycie Warszawy (16 May 1986) underlined that the nuclear area required a political reorientation toward security for all nations independent of political systems. People have experienced how little could be done against the consequences of a nuclear accident.

The renunciation by the Polish government of formal claims for damages from the Soviet Union is obviously based on the realistic assumption that the Soviet Union would, on principle, reject such claims - both from the West and East; moreover, Poland is certainly not interested at present in straining the relations with the Soviet Union with such claims. It cannot be ruled out, though, that, after a final assessment of the financial burdens resulting from Chernobyl, Poland could ask the Soviet Union to have understanding for certain delays in economic planning and growth and, possibly, increase its assistance. Government spokesman URBAN emphasized that given the help so far rendered by the Soviet Union, damage due to Chernobyl is low.

As far as its future nuclear energy policy is concerned, the Polish government intends to stick to the course hitherto pursued; although it intended to review the safety concept of the nuclear power plants to be built in the next few years. Party functionaries internally assume, however, that the ambitious nuclear energy program of the government will be delayed considerably.

2.4 Reaction of the population

According to numerous pieces of intelligence information, the reactor accident in Chernobyl did not only produce helplessness and concern with the Polish population but also gave it a deep shock. Travellers spoke already on 01 May 1986 of panicky reactions of the population, especially in the eastern parts of the country around Bialystok/Lublin/Rzeszow but also in southeastern Poland and Silesia (Kattowitz). There were sporadic open protests and demonstrations against the peaceful use of nuclear energy (i.a. in Breslau, Danzig). Leaflets with openly anti-Soviet statements and slogans were spread and wall posters fixed illegally (Sielce, southeastern Poland). In a petition submitted to the Polish government, 3000 citizens of the city of Bialystok demanded to stop construction of the first Polish nuclear power plant in Zarnowiec (near Danzig). This action had been supported by the underground opposition and Polish scientists who recommended in an open letter to the government to re-examine the safety systems of the future Polish nuclear power plants.

In the whole country the population reacted with the hoarding of goods, especially canned goods, frozen butter, milk powder and iodine medicaments. The government was forced to regulate the sale of milk powder by issuing vouchers in order to avoid further bottlenecks. Despite the directives by the government, an increased sale of vegetables and poultry (Walbrzych/western Poland and Kattowitz/Upper Silesia) at extraordinarily cheap prices was re-

gistered; nevertheless, people hesitated to buy these products.

In general, direct injuries to the health of the population were not observed. Only in the area of Bialystok/Przemysl did the population complain reportedly of headache and nausea; it is not clear whether these symptoms were only overreactions. The fear of severe bodily harm due to radiation, though, is felt in the whole country.

The enterprises, too, - particularly on the first day after the accident had become known - were affected by the general panic. Reportedly, in some cases the major part of the workforce remained absent from work, since they did not want to leave their homes. Only loudspeaker announcements made by the district authorities helped calm down the population.

The information policy of the government about Chernobyl was met with general skepticism. Large sections of the population obtained their information by listening in, as usually, to western radio stations (RFE, Voice of America, Deutsche Welle, BBC), which, in the opinion of the people, had always spread more credible and better information. Certain attitudes of the population were due to Western news and recommendations.

The rural population rather showed apathy and helplessness, being afraid of the consequences for men, animals and production, according to reports.

In general, there is a nation-wide sensitization of the population in environmental matters and the danger of nuclear power plants. At times, the danger is discussed which could emanate from Soviet nuclear weapons stationed in Poland.

There are also fears that such a reactor accident could repeat itself, since in the area of the Polish eastern border numerous nuclear power plants of the Chernobyl type are supposed to be located on the Soviet side.

2.5 Assessment

Thanks to its extremely quick reaction to Chernobyl (precautionary measures, relatively open information policy), the Polish leadership succeeded in largely maintaining the only superficially pacified and stabilized internal security situation in Poland. The Soviet Union, which informed preferentially Poland at an early stage, was probably also well aware of the risks involved for the internal situation of Poland and therefore acted quickly.

The government, though, cannot look into the future free from worries; in no other Soviet Bloc state (possibly with the exception of Hungary) has the population been sensitized to such an extent on account of the already existing desolate environmental situation. It cannot be ruled out therefore that new crisis-breeding elements in the form of environmental groups could develop in future. According to observers, the future opposition after the "Solidarity" era could be recruited from groups for environmental protection

and human rights which could contribute to destabilize again the internal situation in the next crisis to be expected.

The leadership was probably also concerned about the open outbreak of latent anti-Soviet sentiment.

The relationship with the Soviet Union will not suffer a lasting damage on account of the nuclear catastrophe, since Poland was the first country to be informed and bilateral agreements on information in the case of future accidents were immediately entered into. It cannot be ruled out, though, that Poland will mention the financial damage caused by Chernobyl in the negotiations on economic aid and could, together with other Soviet Bloc states concerned, urge a revision of the Soviet safety philosophy for nuclear power plants in order to reduce risks.

Through its candid information policy and unconditional cooperation and its keeping aloof from attacks against the West in connection with the accident, Poland certainly gained profile toward the West. It is assumed, though, that the Polish leadership deliberately acted in this way in order to achieve this presumable growth of confidence.

3. Czechoslovakia

3.1 First reactions to Chernobyl

Unlike the Polish government, the Czechoslovak leadership was clearly hesitant at informing the Czechoslovak population and in taking active precautionary measures. As the first official piece of information on the reactor accident, a short report appeared in Rude pravo on 29 april 1986 (page 7) citing the Soviet TASS report, although, according to a Czechoslovak diplomat, the Soviet leadership had allegedly informed the Czechoslovak Ministry of Fuels and Power (headed by V. EHRENBERGER) immediately of the reactor accident. As in Poland, a blackout on information was reportedly agreed which could not be maintained on account of Western publications.

Also in the following days the government clung meticulously to the Soviet information pattern. Decisive for this attitude was also the fact that, unlike Poland, Czechoslovakia was touched only marginally by the fallout of the Chernobyl nuclear power plant on account of favorable weather and that, in the eyes of the Czechoslovak leadership, there was no urgent reason to take immediate precautionary measures or to issue rules of conduct for the population.

The commission for nuclear energy (headed by Stanislaw HAVEL), already existing for quite some time, in cooperation wit authorities and institutes responsible for environment, inspection of foodstuffs and hygiene was charged with observing and assessing the situation and informing the population. Communiques on the situation - although without detailed information and measuring data - were published continuously.

3.2 Press coverage

Coverage by the media was clearly concentrated on efforts to play down the dangers and consequences for the Czechoslovak population. The official communiques of the commission were supported by reports of correspondents from Western and Eastern Europe containing appeasing information which confirmed government statements. The Czechoslovak leadership admitted for the first time in Rude pravo on 05 May 1986 that "there was a moderately increased radiation level in some areas of Czechoslovakia, which was declining constantly and was harmless". On 07 May 1986 the active measures taken by the government concerning control of foodstuffs and drinking water, more intense cleaning of the streets in the cities were mentioned and the population was advised to observe "the principles of hygiene"; any concrete information, though, was not given.

The stereotyped and largely meaningless information policy was maintained during the subsequent period. On 16 May 1986 it was reported that the 21 measuring stations in the country had been reduced on account of a normalization of values, which was to serve as a sort of all clear signal.

In contrast to the generally meager information about the Chernobyl events - the population was deliberately left in the dark about the actual situation -, the Czechoslovak leadership concentrated its reports on the assessment of political aspects and the Western reaction to Chernobyl. The prelude was a comment of Central Committee Secretary HORENI (also chief editor of Rude pravo) on 04 May 1986. Simultaneously and in line with the first TASS comments, he imputed to the United States and other NATO states that they wanted to blackmail the Soviet Union politically, poison the international relations, defame the reputation of the Soviet Union and the Socialist camp and to divert attention from the Soviet disarmament proposals with the help of media hysteria and anti-Sovietism and to justify their own nuclear armament (including SDI). The climax of this "diversionary campaign" fully supporting the Soviet tactics and dominating the Czechoslovak media was reached in the appraisal of the television speech of GORBACHEV on 14 May 1986 by an (anonymous) leading article in Rude pravo on 16 May 1986.

The Czechoslovak leadership tried to extenuate GORBACHEV's late reaction with the argument that "the world was used to the fact that GORBACHEV stated his position on all crucial issues of international importance." The statement of the General Secretary had contained "exact information", the world public had been informed "comprehensively", the Soviet Union had "concealed nothing.

Accurately following GORBACHEV's line of arguments, the Chechoslovak leadership turned the reactor accident in Chernobyl into an attack against alleged Western political intentions at the expense of the Soviet Bloc, with the catalogue of Western failures submitted

(chiefly responsible: the U.S. and the Federal Republic of Germany) being a mirror image of the current East-West relations as seen through Soviet Bloc eyes:

- anti-Sovietism and anti-Communism in the West, disparagement of Socialism;
- attempt to turn the reactor accident into an international conflict;
- attempt to divert attention from American nuclear tests in Nevada as well as from nuclear armament and SDI of the U.S.;
- attempt to eliminate the Soviet disarmament proposals;
- attempt to torpedo the East-West dialogue and to justify Western nuclear armamemnt.

According to Prague, though, the hysterical Western diversionary tactics has rather a "boomerang effect", since the world public has been made sensitive especially by the Western strategy pursued in connection with Chernobyl to the consequences of a nuclear war.

In this context Rude pravo reminded its readers of GORBACHEV's disarmament initiatives and called on the U.S. to react positively to the "generous" steps of GORBACHEV by "examining the political morale".

Only on 17 May 1986 did Rude pravo mention, at an insignificant place, GORBACHEV's proposal for the establishment of an international control system for the peaceful utilization of nuclear energy and refer to positive reactions in the West.

After GORBACHEV had denounced explicitly the Federal Republic of Germany as a potential disturbing factor in the peace process, Central Committee Secretary (ideology) FOJTIK exposed the German media on 16 May 1986 to unusually harsh criticism ("offspring of HITLER and GOEBBELS"); Germany seized every opportunity to sow the seeds of hatred among those people who had frustrated the German dream of world supremacy.

Background and welcome reason for the unusual attack (retaliation and revenge campaign) was probably also the Sudeten meeting scheduled for 18 May 1986 and the participation of Federal Chancellor KOHL in this meeting.

3.3 Measures of the government

Although, to the outside world, the Czechoslovak government pursued an information policy belittling the events of Chernobyl for fear of possible unrest among the population, credible intelligence information shows that also the Czechoslovak leadership unconspicuously carried out concrete precautionary measures. Internal directions given to subordinate organs, list a number of - unspectacular - measures, including:

- limited feeding of cattle with green fodder; stabling of cattle;

- securing production and reserves of infant and baby food;

- delivery of an additional 800 t of condensed milk to the trade network;

- processing of contaminated milk into harmless products (mainly ewe's milk, hardly cow's milk, which was largely classified as harmless);

- measuring of truck and rail cargos at the border between Czechoslovakia and the Federal Republic of Germany and Austria;

- active influence on the public opinion concerning Chernobyl and its consequences for Czechoslovakia; immediate notification of problems;

- carrying out without exception all directions and measures issued by the commission for nuclear energy.

According to official information, foodstuff production had been subject to intensive controls (control of approx. 150 kinds of foodstuffs).

The recommendations given by Western and other Eastern states to the population concerning conduct and eating habits, though, were not observed by the Czechoslovak leadership. According to observations, the sale of the most jeopardized and sensitive foodstuffs was continued and therefore led to speculations that the Czechoslovak government did not do anything. The Czechoslovak leadership like the Soviet Union, declared in a sort of forward defense that, given the high safety standard of Czechoslovak nuclear power plants, it would carry on its nuclear power policy in any case.

3.4 Reactions of the Population

The Czechoslovak population, in contrast to that of the neighboring states (including Poland), remained generally calm and disciplined. Limited protest rallies (200 - 300 people) took place only in Pilsen (Plzen) (10 May 1986); rumor has it, though, that there had been open protests against the inadequate information policy and the apparent inactivity of the government also in other places of western Czechoslovakia. The reason for this alarm was that people there received Western television and radio stations which informed comprehensively. In the western regions it was therefore observed that people changed their conduct and way of life according to the proposals of the Western media but only on a limited level (e.g. demand for iodine tablets, declining demand for fresh milk and vegetables, increased demand for milk powder and canned food).

The political opposition (Charter 77) also dealt with the subject of Chernobyl and criticized the information policy in an open letter to the government, although without meeting - as usual - with

much response.

3.5 Assessment

The Chernobyl accident made Czechoslovakia one again give evidence of its total dedication to Soviet interests and subordinate even risks for its own population to this traditional basic element of complete identity of interests. Its "normalization policy" rigorously pursued for 17 years has made the population unable to openly voice its opinion thus excluding any risks for the government in the past few days, although it is safe to assume that, similar to other Soviet Bloc states, large sections of the population procured important information via Western media (especially radio stations) and were informed of the possible risks resulting from Chernobyl.

Any political consequences for the relationship between Czechoslovakia and the Soviet Union are hardly traceable at present. Since it is expected that the Soviet Union itself will draw the consequences from its own failures also toward the partner states, Czechoslovakia will hardly feel inclined to intervene - no matter how - with the Soviet leadership, all the more so since the Soviet Union has announced a more intensive exchange of information for the future.

As far as the relationship with the United States and Western Europe - especially with the Federal Republic of Germany - is concerned, Czechoslovakia will also in future orientate itself at the Soviet policy and pursue a wait-and-see policy in future. Atmospheric disturbances arising from the participation in the Soviet criticism of the West were probably taken into account, with Czechoslovakia hoping that the West will realistically assess the Soviet tactics.

Concerning internal policy, CHERNOBYL will for the time being continue to have the effect of a "shock" but have no consequences for the energy policy or environmental protection. Neither is any pressure on the part of the population not the spontaneous formation of environmental groups expected. The security policy of the regime will keep an eye on possible developments of this kind and, if required, use proven mechanisms to eliminate possible oppositional currents.

4. Hungary

4.1 General coverage of the accident

Radio Budapest reported the reactor damage in Chernobyl on 29 April 1986. At the same time it was emphasized that no radiation changes had been noted in the country by that time and that such changes were deemed hardly possible. On 03 May 1986 MTI reported that the radiation values measured in the country were still below the critical point.

In Budapest the radiation level of the air had decreased, in the other parts of Hungary it had not changed. Everywhere, though, it was "far below the critical point".

On 11 May 1986 MTI reported that there were only slight differences in radiation as against the period before the reactor accident.

On 13 May 1986 MTI reported that conditions were normal again.

Also on 13 May 1986 the Hungarian party paper Nepszabadsag reported that in the night from 01 to 02 May 1986 the radiation in the affected regions of the country had increased five times.

On 14, 15 and 17 May 1986 MTI repeated that conditions were normal again.

4.2 Assessment of Soviet attitudes

The Soviet information policy was indirectly criticized in the keynote comment of the Hungarian party paper on 11 May 1986 ("The lesson taught by Chernobyl"): The development of nuclear energy for peaceful purposes, in which safety aspects play a major role, is hardly conceivable without the readiness of the countries concerned for a comprehensive exchange of information and the elaboration of rules for mutual information.

Another MTI comment stated on 15 May 1986:
The importance of the IAEA will grow on account of international cooperation, including rapid and comprehensive information.

According to intelligence information, the Hungarian government had been shocked by the negligent attitude of the Soviet authorities in connection with the reactor accident. After the accident had become known, Budapest entered into contact with the competent Austrian authorities in order to obtain correct information on the event and its consequences. According to another piece of intelligence information, phone communication between Hungary and Kiev has no longer been possible since the reactor accident.

4.3 Assessment of Western attitudes

On 07 May 1986 Hungary, too, took part in the exculpation campaign in favor of the Soviet Union, with examples of technical troubles in Western reactors, dubious sensational reports on the accident in Chernobyl and GORBACHEV's proposals of 14 May 1986 being put forward as main arguments.

4.4 Measures taken in the country

Already before 03 May 1986 the Hungarian authorities recommended that children should drink only milk controlled by official

authorities and out-door fruit should be cleaned carefully.

Foodstuffs and especially milk were controlled by the Ministry of Agriculture and Food throughout the country; lakes and rivers and also foodstuffs were examined by the health/epidemiology network as to their radiation; mobile measuring units of the headquarters for civil defense examined the degree of soil contamination (MTI, 07 May 1986). On 13 May 1986 cows in large agricultural enterprises were still fed with hay and not put out to pasture.

4.5 Mood of the Population

The population reacted with irritation, fear and embitterment to the unforeseeable and unknown possible consequences of the accident and the delayed and incomplete information. People believed that the official statements chiefly tried to belittle the accident and to calm down. As preventive measures medicaments were taken (Echinacin, iodine tablets), goods were "hoarded" (milk powder, mineral water, canned food), the consumption of milk and milk products was stopped, people daily took a bath or washed thoroughly. They are most afraid of the delayed effects of the fallout.

According to intelligence information, the Hungarian dissidents have meanwhile begun to print and distribute leaflets. They chiefly contain the following reproaches:

- Inactivity of the Hungarian authorities;

- Inaccurateness of official measurements;

- Lack of measuring equipment;

- Appeal to the citizens to voice protests.

Unconfirmed rumors of a shutdown of the Hungarian nuclear power plant PAKS caused additional irritation.

5. Rumania

5.1 Information by Moscow

Bucharest was informed of the reactor accident at the same time and in the same restrictive manner as the other western neighbors of the Soviet Union. According to the statement of a Rumanian diplomat, this caused annoyance in government circles of his country. Rumania, the northern parts of which are very close to the place of accident and were thus endangered very early and to a considerable extent, had originally expected to be one of the first who would be informed by Moscow.

5.2 Coverage in the media

Bucharest's information policy toward the population, though, was subsequently as meager as that of Moscow. Till 03 May the press reported only twice in marginal notes (30 April and 01 May) on the events in the Soviet Union. Only on 03 May did a press communique state that the Rumanian authorities had noted an increase of radioactivity on Rumanian territory since 30 April. At the same time, a number of precautionary measures were ordered centrally. From 06 May onward there were only few reports on the normalization of the situation at the place of accident and the continued decline of radioactivity in Rumania.

In the course of this reporting no radiation values were published. This was probably due to the fact that the authorities assumed that such information would rather irritate than quiet the population, all the more so since the general level of information on the risks and consequences of radioactive radiation in Rumania is probably far below that in the Western countries producing nuclear power.

5.3 Measures in the country

There is, however, hard intelligence information according to which in some parts of the country the contamination values of the air and soil were much higher than in the Federal Republic of Germany. The Rumanian authorities were probably also aware of this fact for they gave order, for the period from 01 to 15 May 1986, to check the luggage of resettlers in respect of radioactive contamination and to prohibit its transport to the Federal Republic of Germany in the case of increased radiation values.

Instead of central information, there were considerable regional activities to protect the population against the consequences of the accident. In nearly all parts of the country directions were issued sooner or later to avoid surface water, to thoroughly wash fruits and vegetables before consumption, not to let children play outside for a prolonged period. In many places iodine tablets were distributed and open-air swimming pools and beaches closed.

5.4 Political assessment

On 08 May CEAUCESCU made comments on the events - as a marginal note in the course of a long programmatic speech. This has so far remained the only official/semi-official critical comment by the Rumanian side.

CEAUCESCU underlined the necessity to use nuclear energy for peaceful purposes but also said that the accident had shown how disastrous the effects of nuclear energy were if it got out of control. Since the consequences of such an event jeopardized all states of the continent and even other continents, the safety measures were no purely internal problem of a state. Attempts were made to soothe the public concerning the consequences of

radioactive contamination. The risks of radioactive contamination, though, must neither be exaggerated nor understated.

CEAUCESCU's statement on the necessity of using nuclear energy has to be seen against the background of the unfavorable Rumanian energy situation as well as the fact that a nuclear power plant is under construction in Rumania and a second one is planned. His statements on the international responsibility for safety measures and the downplaying of the risk of radioactive contamination, though, are directly addressed to Moscow. This is underlined chiefly by the fact that he avoided any criticism of the reaction of the Western states and their media to the reactor accident.

5.5 Reactions of the population

The reaction of the Rumanian population was relatively calm - as already for a long time to most of their daily problems. People feel once more put at a disadvantage by fate or treated unjustly. However, there was no reference in intelligence information that the Rumanians blamed the Soviets for the events or criticized the government because of inadequate information. This clearly shows again the extent of Rumanian lethargy.

6. Bulgaria

6.1 General coverage of the accident

A "statement of the Council of Ministers of the USSR" on a "damage" in Chernobyl with reference to a TASS report of 29 April 1984, was published by the Bulgarian press for the first time on 30 April 1986.

On 01 May 1986 the Bulgarian committee for peaceful utilization of nuclear energy stated that there were "no deviations from the average level of natural radioactivity" (BTA 01 May 1986). On 04 May 1986 BTA reported that the measurements of the past 24 hours did not show any risks for the citizens of the environment. A communique of the committee of 05 May 1986 admitted "an increase" of radioactivity "by up to three times the normal amount in some regions". At the same time it was underlined that this was not injurious to health and that the level of radioactivity showed a downward tendency. On 14 May 1986 the Bulgarian party paper Rabotnichesko delo published an interview with members of the research institute for roentgenology and radiobiology of the medial college. According to their statements, a radioactive fallout in the country had been registered for the first time at 3.30 p.m. on 02 May 1986. The situation has meanwhile returned to normal. On 16 May 1986 the party paper published an interview with the director of that institute, in which i.a. the concentration of radioactive elements in a number of foodstuffs was published. The director came to the conclusion that no injuries to health need be feared - even in the long run.

6.2 Measures taken in the country

On 03 May 1986 the committee announced that the network of measuring stations had been extended and strengthened. A Bulgarian diplomat told on 06 May 1986 that, as a preventive measure, alerts had been practised and related measures had been initiated for exercise purposes.

On 08 May 1986 the Bulgarian embassy in Bonn said that ewe's milk and ewe's milk products had in some regions been withdrawn from the market because of increased iodine 131 values.

On 14 May 1986 BTA reported that there were "still some problems" with green vegetables and animal fodder which had been exposed to rain.

6.3 Assessment of Soviet attitudes

Bulgarian criticism of the Soviet management of the consequences of the reactor accident has not become known here. In respect of Chernobyl, Bulgaria speaks of an "accident", only in a BTA comment of 13 May 1986 it is referred to as a "disaster".

6.4 Assessment of Western attitudes

Since 09 May 1986 Bulgaria has taken a major part in a propagandistic exculpation campaign against Western criticism of the Soviet Union and Bulgaria. Attacked are chiefly the allegedly delayed information of Western states by the Soviet Union and Bulgaria - which in the case of the Soviet Union is not refuted - and the "unjustified and discriminating" import ban on agricultural products from the Soviet Union and the other East European Socialist states. Western criticism of delayed information by Sofia is countered by the government with references to information on the level of radioactivity in Bulgaria made available, besides the official announcements in the press, radio and television, on 04, 06 and 09 May 1986 to the ambassador of the Netherlands to Sofia - in his capacity as ambassador of that country in the European Community that currently has the chair in the EC commission.

Later on, the Bulgarian campaign was centered on the Soviet initiatives (GORBACHEV's speech of 14 May 1986), on American nuclear tests in Nevada and on cases of dubious reporting in the Western media on the consequences of Chernobyl.

6.5 Public sentiment

No information is available.

7. Yugoslavia

7.1 Coverage in the media

The reporting of the Yugoslav media on the events in and around Chernobyl showed the following:

From 29 April to 03 May inclusive, the Yugoslav press published, on the back pages, pure information without any comments on the reactor accident and the reactions in the West to it, often quoting publications from the countries concerned.

From 04 May onward it was noted that Yugoslavia itself was affected by the radioactivity released on account of the accident. From this juncture Chernobyl and the consequences of the reactor accident were unusually broadly covered in the Yugoslav press for about two weeks. This is noteworthy since, normally, the media would have centered their attention on the current elections for the republic and province bodies of the mass organizations and of the party and state.

Press coverage was generally similar to that of the Western countries. On 04 May 1986, for instance, the level of radioactive contamination of the air and soil in Yugoslavia was published in Vjesnik and, at the same time, a relatively objective assessment of the situation by a Belgrade scientist. Moreover, it was announced that the milk in Croatia was constantly controlled by sciuentists as to their contents of radioactive substances. Additionally, official information on the decrease of radioactivity in Slovenia and Croatia, which had been still high on the day before, was published and "favorable winds" were reported. This type of press coverage, which was partly instructive, partly confusing, informative and misinformative, was continued for the next few days. It became apparent that the Yugoslav press self-censorship skillfully realized the wish of the political leadership to largely minimize the possible consequences of the radioactivity released in Chernobyl for the citizens of Yugoslavia, for the consumption of Yugoslav foodstuffs and the tourists expected in Yugoslavia.

7.2 Assessments

Worth mentioning are the Yugoslav assessments of the events in the press of the country. It is safe to assume that their tendency is largely in line with the views of the political leadership of Yugoslavia.

By publishing reports from New York, Bonn and Moscow in Vjesnik of 05 May 1986 with the headline "Polemics instead of Information" dealing with the information deficit in the East and the West, "Yugoslav objectivity" was demonstrated. On 04 May, the same newspaper doubted the credibility of Soviet propaganda by asking

whether this was actually the first and not already the third reactor accident in the Soviet Union.

From 05 May onward more and more reports from Moscow appeared in the Yugoslav media. They were published largely without any comments, appeared more often than reports from Western countries and showed a certain bias in favour of the Soviets who were heard much more often than the West.

When it became known in Belgrade on 10 May that the EC wanted to put Yugoslavia on the list of those countries from which imports of meat and vegetables were banned for a certain period, Yugoslavia spoke in plainer terms. The EC has been attacked massively because of these measures ever since, not only because Yugoslavia thus loses sales possibilities but also because Belgrade reacts angrily when the country is measured by the West with the same yardstick as the states of the Soviet Bloc.

On 12 May the then chairman of the Presidency of the SFRY, VLAJKOVIC, said that nuclear accidents and their consequences were a problem of the international community. In his statements he avoided blaming or criticizing any country.

On 13 May, though, the most massive criticism of Moscow because of its disinformation policy concerning Chernobyl appeared in Vjesnik. After this single deviation from the restrained course toward the Soviet Union, a balanced reporting and the avoidance of criticism of the USSR gained again the upperhand.

In general, this type of press coverage is in line with the Yugoslav intention to occupy a balanced position between the East and the West in its capacity as an allegedly non-aligned state.

7.3 Reactions of the population

The reaction of the Yugoslav population was unusual.
The excitement about the events in Chernobyl was naturally low in view of the limited danger for Yugoslavia. Nevertheless, the youth organization of Slovenia had organized a public protest rally in Ljubljana (Slovenia) on 10 May, at which the Soviet Union as well as the competent authorities of Slovenia were condemned equally because of their information policy concerning Chernobyl. The government was called upon to assert claims for damages against the Soviet Union and to "stop the use of nuclear power" in Yugoslavia in future. Similar demands were made publicly a few days later by the youth association of Croatia and other Yugoslav institutions. The youth forums thus expressed the opinion of large sections of the Yugoslav population.

7.4 Reactions of the political leadership

As a consequence of such demands the republic assembly of Croatia postponed the construction of the second nuclear power plant.

The presidium of the LCY therefore passed the resolution on 13 May 1986 that "the future development of nuclear power plants in Yugoslavia has to be fitted into an integral technical-technological concept for the whole country; discussions on this subject have to carried on in the whole country in time and with dilligence". As usually, Belgrade thus avoided adopting a clear position and left open various possibilities for the future.

En la apreciación acerca de las consecuencias inmediatas en la zona afectada por la catástrofe de Chernobil mercen ser destacados los siguientes hechos:

- Solamente fue informada el área vecina de Polonia de la existencia del accidente en forma inmediata. La población en general desconoció la magnitud del mismo hasta que la prensa occidental se ocupó de publicitar los hechos.
- El área contaminada alrededor de la Central Nuclear no se sabe si puede ser vuelta a ocupar por la población. Los expertos aún discuten las medidas de descontaminación más apropiadas, nadie tiene una solución clara acerca del problema del uso agrícola de la tierra contaminada.

Por primera vez perdidas substanciales de la agricultura ucraniana han sido oficialmente admitidas por el 1er. Ministro Lyashko como consecuencia del accidente.

- Polonia podrá aprovechar los daños producidos por el accidente para recibir apoyo económico soviético y junto con otros estados del bloque soviético pedir una revisión de la filosofía de seguridad soviética en lo que a las plantas soviéticas a los efectos de reducir los riesgos en el futuro.
- Siguiendo a los lineamientos de los ideales comunistas los medios de difusión soviéticos han buscado explotar el desastre como una oportunidad para resaltar el heroísmo de los trabajadores y expertos de la vecindad del reactor comparando con la actitud de los militares en Afganistán.
- Los medios de difusión soviéticos han traducido sistemáticamente la impresión de que prevalecen condiciones de vida normales en las regiones adjuntas en el área del accidente y que además no hay riesgo para la salud en la población evacuada.

Los resultados publicados de examenes hechos a la población evacuada han demostrado no justificar medidas de alarma. El problema de los daños a largo plazo como asimismo el gran retardo en evacuar las áreas próximas al reactor (Pripyat) han sido manejadas como tabú, la ciudad de Kiev ha sido publicitada como inalcansable para los turistas. Las medidas de saud precautoria estaban en vigencia aún un mes después del accidente.

- La población soviética tardó mucho en ser informada de las causas del desastre, hay solamente algunas sentencias aisladas sobre fallas humanas y defectos técnicos por unidad, así mencionando que es necesario introducir mejoras técnicas en las plantas nucleares soviéticas.

A fallado asimismo la burocracia en el manejo relacionado con la evacuación

ocasionando sobreexposiciones a las radiaciones por parte del personal hospitalario, policial,etc.

- El Kremlim ha señalado que va a serguir desarrollando la energía nuclear en el futuro. La unidad Nº3 va a ser puesta en operación tan pronto sea posible y el 5º reactor será expandido de acuerdo a lo programado.

Los soviéticos han admitido oficialmente que en el futuro nadie podrá tener total seguridad de repetirse un accidente como el de Chernobil.

NOTA:

En ningún lugar del informe se menciona el daño a más de un reactor, en el punto3.5 se habla de que 3 reactores permanecen intactos, esa información es incorrecta. Parte de la unidad 3 ha sido afectada por dos causas:

1) La proximidad al Reactor siniestrado ocasionó daños a su estructura e instalaciones.

2) El hecho de compartir sistemas auxiliares con los de ventilación han producido daños en el personal de operaciones.

Esta unidad Nº3 fue rehabilitada unos meses después del accidente y vuelta a clausurar (se presume que definitivamente)debido a las consecuencias del daño material y la proximidad a un área altamente contaminada como es el basamento de hormigón en el cual se sepultó gran parte de la unidad Nº4.

- La tecnología soviética en reactores de agua hirviente y canales de grafito y uranio levemente enriquecido como el del reactor accidentado es buena. Ha fallado la filosofía de los sistemas de seguridad y el personal de dir... dirección fundamentalmente.

Enlace Alemán

135/c VRBS

VS-VERTRAULICH
amtlich geheimgehalten

7 November 1986

ECONOMIC REPORT

TgbNr. 2107/86 VS-V
Subject : Soviet Union, International Monetary Fund:
Soviet Union Interested in Joining IMF
DOI : October 1986
Evaluation : F - 2

Report

From an Eastern European economic functionary:

Through various channels, the Soviet Union recently has shown its interest in joining the International Monetary Fund (IMF).

The Soviet Union is of the opinion that seat and vote in this international body cannot only be reserved for the small Comecon countries; it is the aim of the Soviet Union to bring the policy of the Comecon countries into line. By joining the IMF, the Soviets also hope to improve their economic situation, which is becoming ever more precarious.

Comment

The information shows that the Soviets, in spite of official denials (1), are still interested in joining the IMF. The greater Soviet orientation to international economic organizations (GATT, IMF, World Bank) has to be considered as part of a changing, more flexible Soviet foreign-trade policy. The reform in the foreign-trade sector (at least partial transfer of foreign-trade rights to a total of 21 ministries and 68 large enterprises), to become effective at the beginning of 1987, in principle, is aimed, too, at a wider opening to the world markets, although, under short-term aspects, negative consequences (interruption of existing supplier-customer relations, confusion in competences) may rather be expected.

By joining the IMF and GATT, the Soviet Union would have a better chance of obtaining information and insight, contributing to an improved image, but it is not expected that the general Soviet economic difficulties could thus be solved. This would only be possible by a reform of the Soviet domestic economy, which is needed urgently.

Footnote 1
In August 1986, I. IVANOV (head of the main department for international economic relations in the Soviet Foreign Ministry) had still denied rumors about the Soviet Union joining IMF and the World Bank.

Enlace Kewai

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17 October 1986

135/C

SUPPLEMENTARY POLITICAL REPORT

TgbNr: 2165/86 VS-V

Subject: Soviet-Chinese Normalization Process

Cutoff Date: Mid-October 1986

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Table of Contents

The Soviet-Chinese Normalization Process

Summary:

In the first few months after GORBACHEV's assumption of office there had been no substantial changes in the main conflicts between Moscow and Peking. In his speech in Vladivostok (28 July 1986), however, GORBACHEV confirmed the meanwhile evident trend of a growing normalization of the relationship with the PR China. The extent of this process becomes obvious if the current state of the conflicts is compared with the situation of 1982 and in some respects even with that of 1985. This process covers not only the "three obstacles" but also the border and territorial conflict, the Chinese foreign policy and the economic reform from the point of view of the Kremlin and the resumption of party contacts.

The "three obstacles", i.a. a topic discussed in the Sino-Soviet consultation rounds, have so far been played down by the Soviets with references to the interests of third countries. From Moscow's point of view the talks were to focus on the solution of bilateral problems. The 7th consultation round in Peking (04 - 18 October 1985) pointed already to a dissociation of the Kremlin from this rigid stance: besides the bilateral relations, "international" problems were discussed for the first time. The agenda of the 9th consultation round just closed (06 - 14 October 1986) had even covered "regional" problems. With his offer in Vladivostok, GORBACHEV has largely smoothed out the so-called first obstacle to a normalization of the mutual relations. The announcement of a partial withdrawal of troops from Afghanistan is also to be regarded as a signal of Soviet flexibility. Although GORBACHEV did not reveal any willingness to compromise with regard to the Cambodia issue in his Vladivostik speech, Soviet media recently have often admitted the earlier formula of "overall" support of Vietnam and its Indochinese allies.

After an eight-year interruption of the border negotiations, Moscow has succeeded in bringing the Chinese again to the negotiating table. The border negotiations are to be resumed in 1987. After REAGAN's visit to the PR China (26 April - 1 May 1984), in particular, Moscow had clearly suggested again profound differences of opinion with Peking in the assessment of foreign-political views/actions. In the recent past, however, Soviet media have emphasized the positive aspects in the relations with the PR China and underline the common interests of the Chinese and Soviet foreign policies.

For a long time the Soviet leadership had apparently not formed a final judgement on the ideological assessment of the Chinese economic reform. The semi-official formula was "wait and see". All in all, Soviet functionaries assessed the process negatively. The results of Peking's modernization program have been appreciated favorably in the Soviet Union for some months now.

The resumption of party relations with the non-Soviet Warsaw Pact countries has come within reach. Even party contacts with the CPSU are no longer a taboo. The kites flown by the Kremlin for a Soviet-Chinese summit meeting have to be seen against this background, too.

Even though Moscow's offers to Peking have yet to be specified and above all to be realized, they have compelled the Soviet Union to take appropriate steps vis-à-vis the PR China.

The statements of the General Secretary thus gain a certain momentum of their own and it will be the more difficult for the Soviet Union in future to take counter-measures the more it intends to push ahead its idea of collective security for Asia. On the other hand, the Pacific riparian countries will be the less ready to accept this Soviet proposal the less the Kremlin is willing to pay an adequate price for the realization of its concept.

In the first few months after GORBACHEV's assumption of office (11 March 1985) there had been no substantial changes in the main conflicts between Moscow and Peking. Only verbal gestures and an improved atmosphere were noticeable. In his speech in Vladivostok on 28 July 1986, however, the CPSU General Secretary confirmed the trend of a growing normalization of the relationship with the PR China meanwhile discernible in Soviet media and other available information. The extent of this normalization process becomes evident if the current state of the conflicts is compared with the situation of 1982 and in some respects even with that of 1985. This process covers not only the "three obstacles" but also the border and territorial conflict, the Chinese foreign policy and the economic reform from the point of view of the Kremlin and the resumption of party contacts.

1. The "three obstacles"

The PR China considers the removal of three obstacles a prerequisite for a normalization and improvement of the relations with the Soviet Union. The Kremlin, however, has so far regarded this demand as an inadmissible interference with the interests of third countries, i.e. Mongolia, Vietnam, Laos, Kampuchea and Afghanistan. Particularly under CHERNENKO, Soviet top functionaries had qualified the wish of the Kremlin for a normalization of the relations with the PR China by the addition "but not to the disadvantage of third countries" (third country formula). From Moscow's point of view the normalization talks were to concentrate on the solution of bilateral problems.

Since GORBACHEV's assumption of office (11 March 1985) the third country formula has of course not disappeared entirely from the statements of Soviet top functionaries but its use has been reduced considerably. In his Vladivostok speech GORBACHEV did not mention it any more.

In the eight Sino-Soviet consultation rounds (alternately in Moscow and Peking) the two sides have hardly achieved any progress in the political conflicts. The latest (8th) consultation round in Moscow (07 - 14 April 1986) was even confined to seven days instead of the usual two weeks. This can probably be attributed also to the statements of Soviet deputy foreign minister KAPITSA on the minor importance of the "three obstacles".

These consultations were upgraded to "political" consultation rounds in April 1985, though. Since the 7th round (04 - 18 October 1985) some "international" problems have been discussed besides the exchange of opinion on bilateral relations. The agenda of the 9th round (06 - 11 October 1986) in Peking also covered "regional" problems after Moscow had agreed in the preliminary phase of the conference to talk about "all" questions.

1.1 With his offer in Vladivostok, GORBACHEV has taken the edge off the Chinese demand (1st obstacle)

- to cut down the military presence on the mutual border to the level of 1964 and to reduce the Soviet troops in the Mongolian People's Republic.

At the end of 1984 the Soviet Union still argued that the concentration of the Soviet armed forces on the Sino-Soviet border was directed against the United States and Japan and that the Soviet troops in the Mongolian People's Republic were stationed there at the request of the Mongolian government and in accordance with the treaty of friendship, cooperation and mutual assistance concluded in 1966.

Moscow has taken an initial concrete step to remove this obstacle by offering Peking negotiations about a proportional reduction of the mutual ground forces and by promising the withdrawal of a "major part" of the Soviet troops from the Mongolian People's Republic. However, Mongolia is reported to insist on the continued deployment of the Soviet troops until the PR China withdraws its troops from the Mongolian border in its turn. With regard to the total political dependence of Ulan Bator on Moscow it can be assumed, however, that this request is Soviet-inspired. The Kremlin thus keeps the way open for a possible withdrawal or restriction of its proposal for a troop withdrawal from the Mongolian People's Republic without having to appear directly. Moreover, weapons and equipment of the troops to be withdrawn are to remain in Mongolia according to Chinese apprehensions.
Even after a settlement of these differences the Chinese could still maintain their demand, extended on October 1983, as an issue with regard to the so-called first obstacle for a

- reduction of the SS-20 missiles stationed in Asia.

1.2 In his Vladivostok speech, GORBACHEV did not reveal any willingness to compromise with regard to the second obstacle to a normalization of the mutual relationship, which is the most important one for the Chinese,

- to discontinue the support ot the Vietnamese expansionism (in Kampuchea).

In this connection the Soviet General Secretary rather refers to a normalization deficit in the relations between Peking and Hanoi. The Soviet deputy foreign minister, KAPITSA, still considers the transformation of the Indochinese countries Vietnam, Laos and Kampuchea an irreversible process on the road of these countries to a socialist social system. Moscow has thus got a springboard in South East Africa for possible other actions and will not give up this bastion without having to.

However, GORBACHEV still does not reckon Kambuchea among the socialist countries in South East Asia. Moreover, the Soviet media have recently often omitted the earlier formula of the "overall support" of Vietnam and its Indochinese allies. In early October Peking has signalled its willingness to compromise, too, by calling on the Soviet Union to restrict its support of Vietnam to economic aid and to suspend military aid.

1.3 Moscow's attitude toward the Afghanistan issue had toughened even more, in particular, under CHERNENKO. During the 5th consultation round (18 October - 02 November 1984) the Soviets conveyed the impression among the Chinese negotiators as if they sought a rapid military solution of the problem. The Chinese demand (3rd obstacle) for a
- withdrawal of the Soviet troops from Afghanistan
as well as the continuing Chinese polemics against the Soviet policy toward Afghanistan were countered by Moscow as late as early 1986 with reproaching Peking for interfering in the internal affairs of Afghanistan, for making common cause with the Americanimperialists and for supporting the counter-revolution.

GORBACHEV's Vladivostok announcement of a partial troop withdrawal from Afghanistan is also a signal of Soviet flexibility in the search for a solution of this problem. By including Afghanistan in his foreign-policy concept for the region, he intimates that the Soviet military presence in this country is of international importance and is by no means restricted to Moscow's and Kabul's responsibility.

2. The border and territorial conflict

Besides the "three obstacles" the divergent view of Moscow and Peking on the drawing up of the border and the territorial claims of the Chinese constitute another conflict. China demands that the border treaties of the 19th century be recognized as "unequal", but the border be drawn up on the basis of these very treaties. Peking does not claim at all territories ceded to Russia on the basis of these treaties (more than 1,5 million square km). However, the territories occupied in violation of the above treaties and described by the Chinese as "disputed territories" would have to be returned unconditionally to the other side.

As late as the summer of 1984 the Chinese Prime Minister, ZHAO Ziyang, had reaffirmed Peking's claim to these territories.

The Kremlin, however, does not recognize the "inequality" of earlier treaties. As a result, Moscow does not know of any territories "disputed" under international law. According to the Soviet press, the Chinese claim is based on a falsification of historical documents. In other words, a border issue between the USSR and the PR China does not exist. However, Moscow admitted even on earlier occasions the possibility of "defining" some sections of the border line. In this respect GORBACHEV's concession "that the border might be established in the middle of the Amur channel" becomes less important. Moreover, the border offer of the Kremlin needs to be specified.

In the sixties and seventies both sides repeatedly attempted to clear up these conflicts by means of border negotiations. Since the Vietnamese invasion of Kampuchea (December 1978), however, these negotiations have come to a standstill.

Thanks to GORBACHEV's offer of a border settlement, Moscow has succeeded in bringing the Chinese back to the negotiating table. The border negotiations are to be resumed in February 1987. The government agreement announced by Gorbachev on the joint exploitation of the resources in the catchment area of the Amur and the construction of water management facilities on this river probably requires a certain understanding in the border issue as well. The talks about these subjects may be making better progress than is discernible outwardly. Initial intelligence information had suggested already in May 1985 that the Soviet Union is highly interested in the resumption of the border talks and hence in the cessation of the inner-Chinese propaganda about the "disputed regions".

The Kremlin has repeatedly sought to create a lasting contractual basis for the mutual relations and to continue to look for points of agreement in the settlement of international questions. Moscow proposed, in particular, to sign a non-aggression and renunciation of force treaty and to agree on principles of the mutual relations and confidence-building measures in connection with the Sino-Soviet border.

3. The Chinese foreign policy from Moscow's point of view

In particular after REAGAN's visit to the PR China (26 April - 01 May 1984) and the subsequent cancellation of ARKHIPOV's planned visit (09 May 1984), Moscow has again clearly revealed far-reaching differences of opinion vis-à-vis Peking in the assessment of foreign-political view/actions.

In the opinion of Moscow, Peking turned away from Marxism-Leninism in its domestic and foreign policies already in the late fifties and adopted a course opposed to the principles of proletarian internationalism. In the early sixties Peking even aimed at rejecting the socialist world system and turned further to the right in the seventies.

The propagation of the three-world theory by MAO Zedong (February 1974) meant already that Peking put the Soviet Union on the same level with the USA but described it as the more dangerous great power with regard to the war risk. There was also the Chinese refusal (April 1979) to prolong the agreement with the Soviet Union of 14 February 1950.
As late as November 1984 Moscow complained that Peking refused to describe the Soviet Union as "socialist".
On the other hand, the PR China has used this term again since 1983 for the Soviet Bloc countries.

Of late, the Soviet media have, however, underlined the positive aspects in the relations with the PR China and the common features of the Soviet and Chinese foreign policies. As early as May 1985 on the occasion of the visit of Indian Prime Minister GANDHI, GORBACHEV had pointed out that Moscow and Peking had pledged not to be the first countries to use nuclear weapons. The Soviet General Secretary praised the Chinese critical attitude toward a militarization of space before the Supreme Soviet (28 November 1985). The Soviet Foreign Minister SHEVARDNADZE stressed the common interest in erasing the tensions in the Korean peninsula (21 January 1986).
Finally according to the Soviet news agency TASS (15 April 1986), the USSR and the PR China jointly condemned the American air attack on Libya. In a television program (28 Jun 1986) the first deputy head of the International Department of the CPSU Central Committee, V. ZAGLADIN, stated that the Soviet peace initiatives were backed by Chinese party chief HU Yaobang.

As had bedome known already more than a year ago, Moscow tries to induce the Chinese to coordinate their foreign policy with the Soviets and to make a joint statement on their attitude toward the Middle East problem, South Africa and Central America.

The Kremlin courts Peking's cooperation "in the struggle for peace and socialism againstimperialism" and thus seeks to include the PR China actually in its own "camp". Moscow hopes to strengthen its position in the worldwide disarmament initiatives vis-à-vis the USA and the other Western powers with Chinese support.

4. The Chinese economic reform from the Kremlin's point of view

The Soviet leadership had apparently not formed a final opinion for a long time on the ideological assessment of the Chinese economic reform. Wheras Pravda reported reasonably objectively on the vital items of the respective Central Committee decree of the Chinese CP (October 1984) and quoted "bourgeois newspapers" as saying that the reform is adapted to the "socialist system", a TASS report (February 1985) took up only negative symptoms.

The Soviet foreign-policy periodical "Problemy Dal'nego Vostoka" (10/11 1984) expressed the concern of some Kremlin functionaries about the pace of the Chinese reforms even more clearly. Although the author also uses the semi-official formula "wait and see", he does not disguise his generally negative judgement. What could one expect to be left over then of the socialist economic management if such fundamental postulates as "central planning" are "weakened" and "private ownership of the means of production is reintroduced" and the doors are thrown wide open to the "American imperialist robbers" in the special economic zones.

At least the Soviet foreign ministry appeared to have held the opinion that the Chinese way to socialism cannot be realized As late as March 1985 the Soviet deputy foreign minister, KAPITSA, expressed his fear on the occasion of his visit to Bangkok that there will be another overthrow in China in five or ten years whose outcome will be worse than that of the cultural revolution.

As late as February 1986 the Soviet government organ Izvestiya (22 February 1986) quoted comments of the Chinese press on the economic reform under the heading "negative tendencies".

In the middle of the year the change in the Soviet assessment became evident. The results of the PR China's Five-Year Plan were described as generally convincing. The Soviet press commented positively on the radical agricultural reform, the better supply of the markets, the remarkable growth of housing and quoted the Chinese premier ZHAO Ziyang who said that China's goods industry is "a socialist goods industry". Like every socialist country China develops its own way and thus confirms only the prediction of Marx of the endless variety of one and the same way in its concrete manifestations. (Neue Zeit Nr. 29 (July) 1986).

In his Vladivostok speech GORBACHEV expressed his appreciations of Peking's internal reform program for the first time in public and offered the Chinese leadership a systematic exchange of experience and practical support because of the similarity between their modernization projects and socio-economic development goals.

In this connection the Kremlin even puts up with a long-term risk whose contours already begin to emerge: If the dynamics and orientation of the socio-economic development in the PR China prove to be successful and thus stable, Moscow runs the risk of gradually losing prestige and political momentum in its own camp to Peking.

5. Resumption of party relations

As late as 1985 Moscow was annoyed at the sophisticated attitude of the Chinese leadership toward the socialist countries. North Korea, Rumania and Yugoslavia number among the "friendly" states, whereas Mongolia, Laos and Cuba virtually do not exist as socialist countries for Peking, and Vietnam is even described as a "hostile country".

Peking's assertion that the economic integration of the CEMA countries undermines the sovereignty and the national interests of the member coutries and impedes the development of their economic relations with other countries and, on the other hand, China's most recent efforts at improving its relations with the East European countries, was interpreted by the USSR as an attempt to drive a wedge between these countries and the Soviet Union and to disunite the socialist commonwealth.

It appears that in 1985 not all non-Soviet Warsaw Pact countries had endorsed the deterioration of the Soviet-Chinese relations. They made their relationship with the PR China dependent mainly on national interests.

In contrast to Moscow, the GDR, Bulgaria and Hungary assured the PR China that the economic course pursued by it was in line with the socialist principles.

The next step, the resumption of party relations with the communist parties of the non-Soviet Warsaw Pact countries, does not appear to be far off any more. Relations are entertained with Bucharest anyway and have been revived also with Budapest by greetings of the Chinese Central Committee to the Hungarian Socialist Workers' Party (HSWP) on the occasion of the opening of the 13th HSWP Congress (25 March 1985). Although the Hungarian party secretary M. SZÜRÖS described the conditions for a resumption of the party relations as "not yet ripe" before the party congress in a radio interview on 11 February, he simultaneously announced that the Chinese CP was given a copy of the theses for the party congress and admitted therewith that the two CPs at least entertained contacts. In September 1986 representatives of both parties expressed their willingness to fully normalize their relations. A similar step was taken by Poland's government and party chief JARUZELSKI during his visit to Peking (28 - 30 September 1986).

According to an intelligence report, the SED was entrusted with the lead in the cautious resumption of relations between the communist parties and the Chinese CP. In particular HONECKER's visit to Moscow (02/03 October 1986) preceding his visit to Peking (in late October 1986) manifests the Soviet approval of this project. In the meantime almost all Soviet Bloc leaders are reported to have the intention of visiting the PR China.

In early October 1986 a Chinese party spokesman confirmed that the efforts at renewing the party contacts with the non-Soviet Warsaw Pact countries would be maintained.

The establishment of party relations between the CPSU and the Chinese CP is no longer a taboo either.
The Chairman of the Standing Committee of the National People's Congress, PENG Zhen, stated in late April 1985 that contacts between the two parties had of course not yet bee established but he did not explicitly exclude a reestablishment of party relations - though not on the basis of the fifties and the beginning of the sixties.

These ideas were pursued by the first deputy head of the International Department of the CPSU Central Committee, V. ZAGLADIN, in early March 1986 when he explained to AFP that the relations between the communist parties of the PR China and the Soviet Union would be reestablished "sooner or later". This would only be "a question of time" and depend on "the comrades in Peking".

However, the Kremlin had obviously misjudged the readiness of the Chinese to already attend the CPSU Congress (28 February - 05 March 1986). Despite an official invitation the Chinese had not sent an observer to Moscow.

A passage in the "resolution" of the 27th Congress of the CPSU can also be regarded as a gesture toward the Chinese CP: it does not consider the diversity of the communist movement a synonym for disunion. At the same time the party congress rejects the hierarchical thinking, the interference of one party in the affairs of another and "the striving of any party for the monopoly of truth".

In 1985 Peking endowed the USSR again with the attribute "socialist". In March 1986 "comrade" GORBACHEV for the first time received greetings from the Chinese CP leader, HU Yaobang.

6. Intensification and higher levels of contacts

Apart from the gradual settlement of the above conflicts especially the relations in non-political fields have improved considerably since 1982. The bilateral trade turnover shows extraordinarily high annual growth rates. The number of contacts has steadily increased since early 1984 for the purpose of concluding trade and payments agreements, signing border trade agreements and agreements of railroad goods traffic or only of exchanging views on problems of the coal industry and on agricultural questions. The mutual contacts in the arts and sports sectors have also increased particularly since the fall of 1984. The delegation level was raised.

The kite for a summit flown by the Kremlin in April 1986 has also to be seen against this background; at that time Soviet Foreign Minister SHEVARDNADZE had expressed the wish for a summit meeting for the first time. (TASS Russian used the term "at high level"). Despite negative reactions from Peking ("unrealistic as long as the obstacles preventing a normalizatio of the relations continue to exist"), GORBACHEV emphasized the Soviet readiness in VLADIVOSTOK "to discuss with China questions concerning additional measures for the creation of a good neighborly atmosphere most seriously and at any time and at any level".

At first DENG had his answer transmitted by a US TV channel (6 September 1986): he appealed to GORBACHEV to take a "vigorous step" for the solution of the main problems in the Chinese-Soviet relationship and to contribute above all toward settling the Kampuchea crisis by bringing pressure to bear on Vietnam. As soon as this problem was solved, DENG said, he was reportedly ready to meet with GORBACHEV. Recent Chinese statements (3 October 1986) suggest that Peking would already be content with Moscow's suspension of military aid and could tolerate the Kremlin's economic support of Vietnam.

7. Change in the Soviet policy toward China

As at the beginning of the normalization talks the current position of the Soviet Union is on the whole still that of a demandeur. Since GORBACHEV's assumption of office, however, Moscow has not only initiated a change of its foreign policy style, which was mainly restricted to touring diplomacy and verbal gestures, but has also shown signs of flexibility in the political problems. This applies to the "three obstacles" as well as to the border issue and the assessment of the Chinese economic reform.

Even if Moscow offers to Peking have to be specified and above all to be implemented as yet the Soviet Union is now compelled to take appropriate steps vis-à-vis the PR China.

The statements of the General Secretary thus assume a certain momentum of their own which the Soviet Union will find the more difficult to counteract in future the more it pushes ahead its idea of collective security for Asia. On the other hand, the littoral countries of the Pacific will be the less ready to accept this Soviet proposal the less the Kremlin is prepared to pay an adequate price for the realization of its concept.

Finally, GORBACHEV leaves no doubt that he regards constructive Soviet-Chinese relations as a key to the creation of a multi-lateral security system in the "Asian-Pacific" region; simultaneously he implicitly dissociates himself from earlier Soviet ambitions of encirclement vis-à-vis the PR China.

The arguments of the General Secretary vis-à-vis the USA as a regional power are comparable. GORBACHEV does not want to push the USA aside but intends to charge Washington with responsibility in regional policy. He concedes the USA not only "important legitimate economic and political interests" in the Pacific area but also recognizes that the problems of security policy and cooperation to be overcome there cannot be solved "satisfactorily" without the cooperation of Washington. However, GORBACHEV misses an American readiness for communication meeting these requirements.

The Soviet approaches to Peking are certainly aimed also at the bilateral relations between the Soviet Union and the United States; the contents and the time of the offers are designed to make an impression on Washington prior to the possible summit of Reagan and GORBACHEV by upgrading the Chinese socialist neighbor.

Indonesia

A Japanese oil expert reported the following:

The decline in the oil prices on the world market and the decrease in the Indonesian exports to Japan have since 1983 resulted in a marked reduction of the exploratory activities in Indonesia. This situation is not expected to improve in 1985 either. In 1983 only three new drilling contracts were concluded, whereas an average of about ten contracts per year were signed from 1979 to 1982. This development is particularly unfavorable for Indonesia since the country has numerous small oil deposits which are rapidly exhausted. In order to make up for a declining output from these fields new oil deposits would have therefore to be discovered and developed all the time.

The state-owned Indonesian oil company PERTAMINA has published neither any figures about exploration costs of foreign contractors for 1984 nor has it any plans for 1985.

According to calculations of JAPAN NATIONAL OIL CORPORATION (JNOC) foreign oil companies estimated the Indonesian exploration costs for 1984 at US $932, i.e. 14 % less than in 1983. The actual costs were probably lower, however. The plan prepared by PERTAMINA in early 1984 envisaged exploration costs for 1984 to the amount of US $ 1.19 billion (which were to rise to US $1.45 billion every year by 1989) for the sinking of 250 exploration wells and seismic investigations for 65,000 square km. As in the past this plan target has probably hardly been reached despite decreased drilling costs especially since experts suppose that many of the exploration wells reported since 1983 were and will be mostly field-extension wells in fields already opened up. This is due to the fact that two thirds of the contractual free production term of 30 years have expired and that the oil companies want to increase their production as much as possible by means of field-extension wells.

1301/85

In 1984 PERTAMINA tendered new oil concession contracts. Besides the Aru and Bunyu units two tenders were held for two areas in the Strait of Malacca and another three in the Arafura Sea south of Irian Jaya. There were no interested parties for the Arafura offshore areas as they are located in a region not yet opened up. Oil experts, however, consider the Arafura Sea one of the possibly oil-bearing areas. This area has the same geological structure as the northern Australian offshore region where oil and natural gas have been found already. Because of the relaxed situation on the oil market the costs for exploratory activities in this area are currently too high, however.

There was, however, a lively interest in the concessions of Riau and Muara Kampar in the Strait of Malacca. The great interest of the companies is to be attributed to the fact that both areas are located near successful concessions held by CALTEX, a joint venture of SOCAL and TEXACO, and Mobil Oil.

Whether PERTAMINA will hold tenders for other units this year is not yet certain. Experts are of the opinion that other areas are currently little promising for exploratory works. It is hardly expected that major fields will still be discovered such as the Minas field (CALTEX) which supplied almost half of the entire Indonesian oil production in 1983.

(DOI: January 1985 / Eval.: F - 3)

Comment:

Although Japan, the most important customer of Indonesia, has restricted the oil imports in the last two years, Indonesia succeeded in 1984 in stepping up the oil production by 6 % to 1.468 million b/d. According to the BANK OF INDONESIA, the value of the oil exports amounting to US $10.3 billion in the first ten months of last year exceeded the earnings during the same period of the preceding year by 8 %, however. The value of the liquefied gas exports reached US $3.16 billion by the end of November 1984; it hence exceeded the earnings of the same period of the preceding year by 41 %.

02.02

RS

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TEMA: Sicherheitspolitik und Streitkräfte. (Es acerca de Nicaragua) 2

PROCEDENCIA: Enlace Alemán 28/5/87 Doc. 0779/87

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135/C

26 January 1987

ECONOMIC REPORT

TgbNr.: 0118/87 VS-Vertr.

Subject: Surinam, Libya - Libya Delivering Aircraft and Bombs to Surinam

DOI: December 1986

Evaluation: B - 3

Summary:

See report

PEI interno 047/87

*** VS - VERTRAULICH ***
AMTLICH GEHEIMGEHALTEN

Report:

From international economic circles:

On 08 December 1986 two BOEING 707 of the Libyan air force coming from Bengasi reportedly unloaded medium-size napalm bombs in Paramaribo, Surinam. According to crew statements it was planned to shortly also deliver two small aircraft suited for the dropping of the bombs.

/Comment:

The above delivery/announced delivery is probably based on an agreement signed only shortly before (presumably renewal of or supplement to a former agreement), which reportedly includes the delivery of military hardware, the granting of favorable credits, the sending of Libyan instructors and Libyan technical aid to Surinam.

The "small aircraft" might be Czech L-39 training aircraft, which are also very well suited for combatting subversive groups. The delivery of the two aircraft would significantly enlarge the capacity of the Surinam air force, which so far has had available only four PILATUS BRITTEN-NORMAN DEFENDER and one CESSNA U206./

INFORMACION: procedente de círculos económicos internacionales:

El 8 de Diciembre de 1986 dos BOEING 707 de la fuerza aerea libia, procedentes de Bengasi portarían bombas napalm medianas, desembarcándolas en Paramaribo (Surinam). De acuerdo a manifestaciones de la tripulación, se entregarían a breve plazo dos pequeños aparatos equipados para el lanzamiento de las mismas.-

COMENTARIO La entrega arriba anunciada se basa en un probable acuerdo firmado poco antes, o la renovación de alguno previo, el que además incluiría la entrega de accesorios militares,la garantía de créditos favorables, y el envío de instructores libios como también asistencia Técnica a Surinam.

Dichos aparatos pueden ser L-39 Checos de entrenamiento,que son apropiados para combate de grupos subversivos.Esta entrega, aumentará en un gran porcentaje la capacidad de la fuerza aerea de Surinam,que hasta ahora disponía de sólo 4 BRITTEN-NORMAN de Defensa y un CESSNA U 206

VS-NUR FUR DEN DIENSTGEBRAUCH

M.E.B

18 February 1987

SUPPLEMENTARY POLITICAL REPORT

735

TgbNr. 21/87 VS-NfD

Subject : Guatemala - Support of the Anti-Sandinista "Contras" by Extreme Rightist Guatemalan Circles

Cutoff Date : Feb 1987

Summary:

The extreme rightist MLN (Movimiento de Liberación Nacional) is on record as having said that it provides training for volunteers earmarked to support the "Contras". Training installations reportedly exist in both Guatemala and El Salvador. By doing so, the MLN jeopardizes not only the CEREZO government's policy toward Central America but also the process of democratization in Guatemala (renewed domestic polarization).

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1. In a press conference in December 1986 the extreme rightist Guatemalan MLN (Movimiento de Liberación Nacional) disclosed that it had recruited, and provided training for, about 8,000 volunteers who would be ready by around February 1987 to fight alongside the anti-Sandinista "Contras". In the meantime, however, the MLN disavowed the figure of 8,000, saying that only "several hundred" volunteers were being trained.

   According to additional information, MLN training installations exist in both Guatemala and El Salvador.

2. The MLN, registered under this name since 1960, was established in 1955 by the putschists who had overthrown the Socialist ARBENZ government in 1954. It is recruited primarily from members of the rural oligarchy and of the private sector; close relations have existed to date with conservative military circles.

   Since its foundation, the MLN has directed its major efforts, in an almost fanatical manner, toward eliminating Communism on the Isthmus. It has always maintained its own paramilitary groups which were employed to both protects its members from guerrilla attacks and dispose of leftist (also Christian-Democratic and Social-Democratic) politicians. The death squadrons notorious for their atrocities were reportedly recruited from MLN members. Cooperation with the "Contras", fighting the Managua regime infiltrated by Marxists and Leninists, is thus in line with MLN tradition.
   As early as 1985 when the then President General MEJIA mentioned the possibility of coexistence, patterned on the two Germanies, between Central Americans and Sandinistas, MLN leader Mario SANDOVAL called upon Guatemala's government and its armed forces to provide active support for the "Contras". He also promised material aid in the event of his party being successful in the 1985 elections.

3. The matter primarily poses a domestic problem to the CEREZO government. These activities are intended by the MLN to subvert the government's neutrality policy and to discredit CEREZO. After its surprisingly poor showing in the 1985 elections, the MLN is now trying to regain ground in the domestic scene by mobilizing those sections of the population that are dissatisfied with CEREZO's neutrality policy. In so doing, the MLN can rely fully on the direct or indirect support from military and economic circles viewing CEREZO's neutrality policy as the reason for the USA's dragging its feet on providing aid. A resurrection of Guatemala's extreme right wing, keeping a low profile in the aftermath of democratization but being far from "converted", would both tie CEREZO's hands in his Central American policy and revive domestic polarization which the Christian-Democratic government is trying to eliminate.

GUATEMALA
F. POL

18 de febrero 1988 .

INFORME POLITICO SUPLEMENTARIO.

TEMA: Guatemala- Apoyo de los "Contras" anti-sandinistas por parte de círculos extremistas de derecha.

FECHA: Febrero 1987.

RESUMEN: El movimiento de extrema derecha MLN(Movimiento de Liberación Nacional) está entrenando a voluntarios asignados para apoyar a los "Contras".Se informó que las instalaciones de entrenamiento están tanto en Guatemala como en El Salvador.De esta manera, el MLN anima no solo a la política del gobierno de CEREZO con respecto a América Central, sino que también al proceso de democretización en Guatemala.(renovada polarización interna)

8705131

1.- En una conferencia de prensa en Diciembre de 1986, el movimiento de extre_ ma derecha guatemalteco MLN(Movimiento de Liberación Nacional) reveló que había reclutado y había dado entrenamiento a alrededor de 8.000 voluntarios, quienes estarían en forma para alrededor de Febrero de 1987 para luchar con los "con_ tras" anti-sandinistas.

Al mismo tiempo, el MLN desconoció la cifra de 8.000 voluntarios, diciendo que solo "algunos cientos" de voluntarios estaban recibiendo entrenamiento.

Según información adicional, las instalaciones de entranamiento del MLN están ubicadas en Guatemala y en El Salvador.

2.- El MLN, registrado bajo éste nombre desde 1960, se estableció como tal en 1955 debido a los levantamientos que habían derrocado al gobierno socialista de ARBENZ en 1954.

Está compuesto en su mayoría por miembros de la oligarquía rural y del sec_ tor privado; también existieron relaciones bastante estrechas con los círculos militares más conservadores.Desde su fundación, el MLN ha dirigido sus mayores esfuerzos de una manera casi fanática, para eliminar al comunismo del Istmo.

Siempre ha mantenido sus propios grupos para-militares, los que fueran em_ pleados para proteger a sus miembros de los ataques guerrilleros y para dispo_ ner de los políticos izquierdistas.(También los Demócratas -cristianos y los Social-demócratas)

Los escuadrones de la muerte, conocidos por las atrocidades fueron recluta_ dos de entre los miembros del MLN.La cooperación con los "contras", luchando contra la infiltración Marxista y Leninista en el régimen de Managua, está de acuerdo con la tradición del MLN.

En 1985, cuando el entonces Presidente Gral. MEJIA mencionó la posibilidad de una coexistancia, tratando de imitar lo sucedido en las dos Alemanias, entre los centroamericanos y los sandinistas, el líder del MLN Mario SANDOVAL hizo un llamado al pueblo nicaragüense y a sus fuerzas armadas para dar apoyo activo a los "contras".

3.- Este hecho plantea un problema interno al gobierno de CEREZO.Estas activi_ dades son intentos del MLN por subvertir la política neutral del gobierno y para desacreditar a CEREZO.

Después de su sorprendentemente pobre demostración en las elecciones de 1985 el MLN está actualmente tratando de ganar campo en la parte interna, mobilizan_ do a aquellos sectores de la población que están desconformes con la política

neutral de CEREZO. De ésta manera, el MLN puede descansarse plenamente en el apo_
yo directo o indirecto de los círculos militares y económicos, que consideren
la neutral política de CEREZO como una razón para restringir la ayuda americana.

Una resurrección del ala de extrema derecha de Guatemala, teniendo en cuen_
ta las consecuencias de la democratización para lejos de "convertirlos", limita_
ría la libertad de acción de CEREZO en su política centroamericana y reanimaría
la polarización interna_la cual está tratando de ser eliminda por el gobierno
demócrata-cristiano.

10 de abril, 1988.
v.t.m.

RNLACH
ALEMAN

135/C
H.E.B.

20 March 1987

REPORT ON INTERNATIONAL COMMUNIST ACTIVITIES

TgbNr.: 432/87 VSV

Subject: Russian-Orthodox Church Invited Representatives of Peace Movements to Moscow

DOI: Mid-March 1987

Evaluation: C - 3

Summary:

The Russian-Orthodox Church invited representatives of "peace movements" and personalities involved in "peace work of the church" to attend a "round-table discussion" in Moscow in mid-March 1987

01.03

It has become known from circles with close links to a Greek "peace movement" that the "church's external office" of the Moscow Patriarchate of the Russian-Orthodox Church had invited representatives of "peace movements" and personalities involved in "religious peace work of the church" to Moscow for the period 16 to 21 March 1987 for attending a conference on "common security, moral and ethical values".
Among the participants from Greece had been Mikis Peristerakis of the independent AKE "peace movement" linked with the internal communist party, and retired General Koumanakos of the international group of "generals for peace and disarmament".
A type of follow-up discussion had been planned on the Moscow "international peace forum" from 14 to 16 February 1987. There would also be an exchange of views on future initiatives of the international "peace movement" as a whole and the share of the Russian-Orthodox Church in it. The main topic would naturally be GORBACHEV's new disarmament initiative for the reduction of medium-range missiles. In this context, there would probably be also discussions about how to carry on the anti-SDI campaign.

Comment

This is apparently the annual "round-table discussion" to which the Russian-Orthodox Church has invited since 1983 in conjunction with the "Working Presidium of the World Conference of Religious Workers" which emerged from the "world conference of leading personalities and prominent representatives of the Churches against the danger of nuclear catastrophe" held in Moscow in May 1982.
It has transpired from documents of the Christian Peace Conference (CPC) that this year's "round-table discussion" had originally been planned to take place in Moscow from 21 to 23 May 1987, while initially a meeting of the "Working Presidium" had been announced to be held from 16 to 21 March 1987. The topic of the May 1986 "round-table discussion" had been "hunger, poverty and the arms race" and that of February 1985 had been "ways to remove the dangers to peace". This year's talks should also internally deal with the question of how to make the best possible use of the festivities marking the millenium of the Russian-Orthodox Church for propagating the "peace struggle" issue.

Se ha podido constatar de círculos allegados a un "movimiento de paz"de Grecia ,que la "oficina de asuntos externos" del' Patriarcado de la Iglesia Ortodoxa-Rusa de Moscú, había invitado representantes de "movimientos de paz" y personalidades involucradas en "la tarea religiosa de paz de la iglesia", a Moscú del 16 al 21 de marzo, para asistir a una conferencia sobre "seguridad común, moral, y valores éticos".-

Entre los participantes de Grecia, se encontraban Mikis Peristerakis del "movimiento de paz" independiente AKE con lazos, en el partido comunista local, y el retirado General Koumanakos del grupo internacional "generales para la paz y el desarme"

Del 14 al 16 de febrero,se planeó una discusión acerca del "foro internacional de paz" de Moscú También hubo un intercambio de puntos de vista sobre iniciativas futuras. del "movimiento internacional de paz" y la participación de la Iglesia Ortodoxa Rusa en el mismo. El tema principal fue naturalmente, iniciativa de desarme de Gorbachev, para la reducción de los misiles de medio alcance. Dentro de este contexto, probablemente hubo además discusiones acerca de como enfocar la campaña ...aden... Iniciativa de Defensa Estatrégica (de los EE.UU.)

COMENTARIO

Esta es, aparentemente, la reunión anual, a la cual la Iglesia Ortodoxa Rusa ha invitado desde 1983, en forma conjunta con el "Presidium de Trabajo de la Conferencia Mundial de Trabajadores Religiosos. surgida de la "conferencia mundial de personalidades y representantes prominentes de la Iglesia con el peligro de una catástrofe nuclear" realizada en Moscú en Mayo de 1982.-
A través de la Conf.Crist. de Paz, se pudo saber que inicialmente, la discusión de este año, se había fijado en Moscú del 21 al 23 de Mayo, mientras que la reunión del Presidium del Trabajo se había anunciado para el mes de marzo. El tema principal de la reunión del pasado año fue:" hambre, pobreza y carrera armamentista",en tanto la de febrero de 1985 fue:"caminos para alejar el peligro a la paz". Este año, se tratará internamente la interrogante de como hacer el mejor uso posible de las festividades que marcan el milenio de la creación de la Iglesia Ortodoxa Rusa para hacer propaganda al tema "la lucha por la paz"

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VS-VERTRAULICH
amtlich geheimgehalten

22 October 1985

Supplementary Report on International Communism

TgbNr.: 311/85 VS-V

Subject : Communist Propaganda Campaign Against NATO's Double-Track Decision in the Period of its Initiation in 1979/1980 and Possible Role as Example for World-Wide Anti-SDI Campaign Which Commenced in Mid-1984

Cutoff Date : September/October 1985

Summary:
With regard to argumentation, pattern of events and distribution of roles, the worldwide anti-SDI campaign in its initial phase since the summer of 1984 has been found to be similar to the Soviet-Bloc controlled propaganda campaign against NATO's double-track decision of 1979/1980. The struggle against the "militarization of outer space" through the American SDI research program unmistakably is the central target of the action plans and propagandist activities of all international front organizations. It therefore seems to be helpful and interesting from a prognostic point of view to recollect in detail the Soviet-controlled campaign from its initiation in late 1979 to the successful institutionalization of the so-called "Krefeld Appeal" - which presumably is the most important propagandist forum for exerting influence - in November 1980 in order to investigate its possible role as an example after which the anti-SDI propaganda crusade has been modelled.

The Soviet-controlled propaganda campaign of all communist front organizations, which is presented to the public with increasing intensity and conducted in line with the division-of-effort principle, obviously focuses on the orchestrated struggle against the "militarization of space" through the American SDI research program. All psychologic, political and semantic efforts of the Soviet Union and of the Moscow-controlled international propaganda organizations aim at systematically and determinedly discrediting this program. The campaign, in progress at all levels of influence, will probably reach a first climax in 1986, the "Year of Peace".

All consultations and action plans of the most active and important communist front organization, the Soviet-controlled World Peace Council (WPC), in the first months of 1985 - namely the international WPC conference in Havana against the arms race, for peace and development (7 - 11 January 1985), the meeting of the WPC Permanent Disarmament Commission in Geneva (mid-February 1985), the WPC Presidium meeting in Moscow (22 - 25 March 1985), etc. - focused on the campaign to prevent the militarization of space (by the U.S.A.). According to the plans of the Soviet Union, this general topic is supposed to reactivate the increasingly fragmented protest movement in Western Europe, i.e., mobilize it for Soviet policies and create a "world coalition of peace forces for preventing the militarization of space".

Available information indicates that the WPC, together with international peace organizations, is currently preparing a stepped-up international campaign aimed at banning the planning, development, testing and production of (defensive) space weapons during the current American-Soviet arms control talks in Geneva. This propaganda is intended to slow down, if possible even stop, American research and testing. The WPC is planning to integrate the active national peace movements of the U.S.A. (for example the "Freeze" movement) into this campaign and to block or prevent population groups important as "multipliers" from solidarizing with the intention, scope and implication of the SDI program. In this connection, the national American "Peace Council", a WPC affiliate established by the American Communist Party

(CPUSA), plays an important role. Information from American sources indicates that the "United States Peace Council" (USPC) is controlled and financed by the International Department of the CPSU, and exclusively represents pro-Soviet (security-related) policies.

The WPC's argumentation focuses on a key contention which in the past months was frequently repeated also by high-ranking Soviet decision-makers and diplomats: the U.S.A. uses the Geneva talks merely as a protective cover to facilitate an undisturbed continuation of SDI research and development. The Reagan Administration does not take any notice of Moscow's offers to secure peace and does not pay heed to moratoriums suggested by the Soviet side. The Soviets, on the other hand, are still prepared not to test and develop space weapons as long as the Geneva talks are going on.

As was the case in 1979/80, the Soviet position is characterized by totally denying, excluding and covering up their own efforts in this field of research and armament.

Discussions about their own intensive efforts regarding the build-up of ABM components are blocked off at once. In a major propaganda campaign, the Soviet Union and its network of international front organizations have achieved an important semantic "breakthrough" which is already bearing fruit in the international public:

The slogan of "militarization of outer space" coined by Moscow's propagandists and systematically launched in the West since the summer of 1984, is today used almost exclusively in connection with the American SDI program - despite the fact that the Soviet Union has had a conventional ASAT system ("killer satellites") for years.

The Soviet propaganda press agency "Novosti" published a brochure entitled "Danger from Outer Space" in early July 1984, which was translated into several languages and purposefully propagates the motto of the "militarization of outer space" in Western European nations.

The popular and repeatedly propagated Soviet demand for an immediate moratorium on the testing of ASAT weapons - like the moratoriums Moscow proposed in 1979/1980 - focuses on the postponement or prevention of recently begun testing and possible deployment of the American ASAT weapon. Like those of 1979/1980, the Soviet moratorium proposals, presented in a way appealing to the public, are intended to preserve and protect the Soviets' lead in this sector. These moratoriums are important building blocks of Moscow's pressure campaign, which is one reason why they will remain a key element of the Soviet propaganda efforts.

The argumentation, pattern and distribution of roles in the communist anti-SDI campaign already show first signs of similarities with the Soviet-controlled propaganda campaign against NATO's double-track decision, which began in 1979/1980. It therefore seems to be helpful and interesting from a prognostic point of view to recollect in detail this Soviet-Bloc-controlled classic international communist operation on which much data has been collected so as to facilitate a better evaluation, analysis and argumentative classification of the space campaign that is in progress today.

The "German Peace Union", established as a "popular front" party in West Germany in 1960 at communist instigation - in May 1984 it gave up its status as a party and has since called itself a "political organization" - is a so-called "affiliate" member of the Soviet-controlled WPC and is regarded as one of the undoubtedly orthodox-communist - influenced organizations. As again in 1984/1985, it had a leading part during the whole campaign of the international communist front organizations (ICFO) against NATO's double-track decision in exerting systematic and well-directed influence on other organizations and initiatives in the "struggle for peace". Next to the "Committee for Disarmament and Cooperation" (CFDC), the German Peace Union (GPU) has been and still is the most important instrument in the communist struggle against the Western security and foreign policies. The GPU maintains close contacts to the "East German Peace Council" and the "Soviet Committee for the Protection of Peace", which in turn controls the WPC along the lines of Soviet policies.

The speeach Leonid Breshnev delivered in East Berlin on 06 October 1979 on the occasion of the 30th anniversary of the GDR is regarded as the beginning of the Soviet propaganda campaign against NATO's rearmament intentions - which Breshnev himself admitted.

The speeach, in which the Soviet party chief announced the withdrawal of 20,000 Soviet soldiers and 1,000 tanks from East German territory, was mainly directed at the Federal Republic of Germany, which he confronted with the alternative of either not consenting to the deployment of new weapons and thus developing "peaceful cooperation of the European nations to everyone's advantage in the spirit of good-neighborly relations and increasing mutual confidence", or "greatly multiplying the danger of a retaliatory strike against the Federal Republic of Germany". Breshnev clearly threatened that "the implementation of NATO's plans would inevitably aggravate the situation in Europe and largely poison the international situation as a whole".

On 27/28 October 1979, the GDR purposefully joined the systematic campaign and in apublished "declaration of intention by the German Democratic Republic" specifically referred to Breshnev's "great initiative". The citizens of the GDR were called upon to put their names under the appeal referred to as a "declaration of intention", which closes with the following demand, "No additional nuclear missiles in Western Europe, but steps toward disarmament! No arms race race, but continuation of détente!"

The campaign against NATO's INF deployment plans, which had obviously been carefully prepared, was continued on the national level by holding a meeting of representatives of the seven-member GPU directorate and the board of the West German CP. They discussed actions against NATO's deployment decision. Both appealed "to all peace-loving and patriotic forces of this country not to accept this decision lying down".

Upon invitation of the "Soviet Committee for the Protection of Peace" - a mass organization established in 1949 for mobilizing the Soviet and world population for the "Soviet peace policy", which is a member of the WPC and the USSR's chief body for controlling the WPC - the GPU sent a delegation to Moscow from 29 January to 04 February 1980. Both sides agreed that it was necessary to enhance the efforts of all peace forces directed against NATO's "particularly serious" decision.

Also in early February 1980, the "Institute for International Politics and Economics of the GDR" (IPE) - which plays a key role in the Western-oriented activities of the GDR - addressed the scientific community in the West by publishing a comprehensive report entitled "The Struggle for Arms Control and Disarmament - The Key Question of International Political Activity". In the report, NATO's deployment plans were described as an inevitable consequence of its aggressive imperialism and the "strong influence exerted by the military-industrial complex on its policies". "Never before", it said, "had the populace or the public been able to exert more influence on the development of international relations". The East German scientists mentioned the "task of all scientists ... to make a major contribution to the struggle for securing peace and for disarmament".

On the international level, the campaign against NATO's INF plans, which was already in full swing, was continued by the most active communist front organization, the WPC. At its presidium meeting in Budapest from 08 to 10 May 1980, the WPC launched an appeal of Budapest, i.e., "Caution - Danger of War!"

At the 35th anniversary of victory over Hitler fascism and the end of World War II, the WPC made a solemn and dramatic appeal to the "peoples of the world" to "put an end to the unscrupulous arms buildup; it is not too late to ban the establishment of nuclear arsenals, especially in the heart of Europe". This plea, which appeared to be neutral and was presented to the public an a very effective way, deliberately - though implicitly - suggests that NATO's decision of December 1979 endangered détente and thus accelerated the arms race, "thereby paving the way toward war".

The so-called "Berlin Appeal: Against Deployment of New Nuclear Missiles", adopted by the 12th General Assembly of the "World Federation of Scientific Workers" (WFSW) and published in East Berlin on 17/18 May 1980, is more precise. The highest body of the WFSW, a communist front organization concentrating its actions on "disarmament" and thus supporting the Soviet disarmament and security conceptions - openly turned to the scientific and technological elite in the West, a target group important as a "multiplier", with the following demand, "Support the movement against the deployment of new nuclear missiles in Europe and other regions - for disarmament in the field of nuclear and conventional weapons!"

In mid-May 1980, a delegation of the GPU directorate visited East Berlin for talks with the "GDR Peace Council" (also a member of the WPC). The two organizations agreed "that at that point of time it was necessary to prevent the implementation of NATO's missile decision of Brussels by launching new actions in cooperation with all peace forces and all anti-war and anti-arms supporters.

Shortly after this consultative meeting, the GPU directorate again held a meeting with the board of the West German CP on 20 May 1980 in order to plan further actions against the double-track decision.

On 13 September 1980, the national GPU board (58 members) decided to stage a forum with neutral personalities in Krefeld on 15/16 November 1980, "where all people sharing this concern can participate in mutual consultations and search for ways to combat the danger of a nuclear war." They also passed an "appeal to hold talks."

On 22 September 1980, the GPU organization in the state of Baden-Württemberg wrote to GPU functionaries, "Since the event in Krefeld is not supposed to be a GPU event and the GPU is to act merely as the organizer, we intend to contact prominent personalities and win them as co-organizers or co-signatories."

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The Soviet-controlled campaign reached a first supra-regional climax - regarding the prominent status of the agitators and sharpness of argumentation - with the speech of B.N. Ponomarev at the "World Parliament of Peoples for Peace" in Sofia on 23 September 1980. The WPC-initiated major event from 23 to 27 September 1980, attended by 2,260 representatives of 137 countries and about 100 international organizations, was prepared at the WPC Bureau meeting in Addis Ababa in early March 1980 as well as at the session of the International Preparatory Committee for the World Parliament after the WPC Presidium meeting in Budapest in mid-May 1980. The final documents of the World Parliament, which was conceived as an intersocial equivalent of the United Nations General Assembly, especially the "Charter of the Peoples for Peace", unanimously adopted by the Plenum on 27 September 1980 (published and circulated by the WPC's information center in Helsinki), contain an almost complete survey of Moscow's current (foreign) policy targets.

Ponomarev's speech of 23 September focused on mobilization, uncovering of American militarism, denunciation, and conjuring up of a danger of war, and openly called for concrete active resistance, "Today, appeals for preserving peace are no longer sufficient." He demanded to "establish a worldwide anti-war front", and said that the "increasing concern of hundreds of millions of people" had to "find material expression in actions and in purposeful, coordinated mass activities for preventing a war." The object, Ponomarev continued, thus revealing his stance on the role of the mass media today and the Soviet opinion of Western reporting in television, radio and press, was to harness "the gangsters behind typewriters and microphones", which would "ease the task of reducing or eliminating the danger of war."

In October 1980, a group of five organizers, including three leading members of communist-influenced organizations, in preparation of the Forum in Krefeld turned to the public under the motto "nuclear death is andangering all of us" and suggested to convene a forum on 15/16 November.

The GPU held its 8th Regular Union Day in Duisburg, a city in the vicinity of Krefeld, on 15 November, a few hours before the Krefeld Forum was to begin. Many delegates went straight from Duisburg to join the Krefeld Forum. In a message to the GPU Union Day, the chairman of the West German CP, Herbert Mies, wrote that the CP would continue its "consistent" and "cooperative" support of the GPU.

The declaration, known as the "Krefeld Appeal", with the five organizers and three other persons as authors, was presented on 16 November 1980. The appeal consists exclusively of Soviet positions and enjoys the support of all of the West German CP's affiliate organizations and groups influenced by it.

In addition to the group of organizers, the drive for collecting signatures called "Krefeld Initiative" only for reasons of outward appearance purports or purported to be responsible for the campaign. It is in fact the GPU who organized/organizes the actions; keeping in the background, it provides public relations and finances.

A recollection of the development of the Krefeld Appeal, which was a first important success of the propaganda crusade against NATO's deployment plans after only one year because it achieved the establishment of a permanent forum of influence in a key Western country, allows the conclusion that the procommunist initiative was triggered directly by the International Department of the CPSU's CC as an operational control center. There are direct chains of "command" and control to the "Soviet Committee for the Protection of Peace", with which the GPU coordinated its "peace strategy" in late January/early February 1980, and to the communist-controlled WPC, the most important and most active communist front organization. The Soviet Peace Committee in turn directly controls the WPC and exerts influence on the "GDR Peace Council", with which the GPU discussed its campaign in mid-May 1980.

A second route of Soviet influence runs from the CPSU to the Western department of the East German SED Socialist Party and on to the West German CP as well as its affiliate organizations (i.e., formally independent organizations which subordinate themselves to the leading role of the German CP). The GPU in turn plays a key role in the "popular front policy" of the West German CP. Personnel links also manifest close cooperation of the West German CP and GPU: Lorenz Knorr of the GPU directorate (which also comprises the main organizer of the Krefeld Initiative, Josef Weber, who was awarded the international Lenin prize in Moscow on 01 May 1985) is also a member of the German CP.

Parallel to the presentation and propagation of the Krefeld Appeal, another communist front organization on the supra-regional level, the IUS (International Union of Students), was activated and integrated into the Soviet propaganda campaign in order to address another target group of competent specialists important as "multiplicers" in addition to scientists and former NATO military personnel ("Generals for Peace and Disarmament"). Another purpose was to commit the IUS to Soviet disarmament conceptions.
The resolution of the 13th IUS Congress, held in East Berlin from 17 to 24 November 1980, called upon the students "to do everything in their power to prevent the development, production and deployment of destructive weapons and demand a ban of all nuclear weapons, the elimination of military bases, the discontinuation of the aggressive policy of imperialism and the reduction of military budgets."

Regarding its propagandist argumentation, organization and distribution of tasks, the Soviet propaganda crusade for preventing the deployment of medium-range nuclear missiles in Western Europe in its initial period of 1979/1980 is similar to the current propaganda campaign against the American SDI research program.

By refusing to negotiate until early January 1985, Moscow on the one hand tried to exert political and psychological pressure on the West and in this way achieve one-sided concessions - as was

the case directly after NATO's INF deployment decision in 1979/1980 - and on the other hand its well-dispensed moratorium proposals directed at the Western public, were intended to delay and/or prevent the American test and deployment plans.

As in Breshnev's speech of 06 October 1979, which officially launched the propaganda offensive against NATO's INF deployment decision, numerous statements Chernenko made in the spring and summer of 1984 on the "militarization of space" gave the starting signal for the campaign against the American SDI program. After returning to the negotiating table in Geneva in early 1985, the Soviet Union used this setting as a propaganda forum for exerting direct influence on Western governments and the public - and at the same time did not move away from its maximal positions.

Simultaneously, Moscow integrated the network of its international front organizations into the campaign - as in 1979/1980.

After the International Department of the CPSU's CC in late fall 1984 had issued the central propaganda topic for 1985, "struggle against the militarization of outer space", the actions were first concentrated on the necessary coordination and synchronization of the activities by the various front organizations.

As expected, the WPC, the most important and most active of the communist front organizations, took overall control of this task. It staged an international conference under the motto "against the arms race, for peace and development" in Havana, Cuba, from 07 to 11 January 1985, which was attended by about 350 representatives from peace organizations of approximately 40 Latin American, African, Asian and European nations. The consultations were concentrated on the expansion and improved coordination of actions by the "peace forces" with the intention of frustrating the American plans for "militarizing space" by mobilizing broadest circles of the world public.

The topic of discussion at the 3rd Vienna Dialogue for Disarmament and Peace from 25 to 28 January 1985 (about 400 participants of various professions from 72 nations and from 25 international

organizations, especially international communist organizations), which was initiated by the WPC and/or the "International Liaison Forum of Peace Forces" (another front organization under WPC-control which functions as an umbrella for organizations that are not prepared to join the WPC) was the distribution of tasks in the anti-SDI campaign. The "Krefeld Circle", which used to be the "Krefeld Initiative", since 1984 the umbrella organization of all vocational initiatives, took on the task of activating and mobilizing important target groups in the Federal Republic of Germany: specific groups such as athletes, artists, writers, scientists, medical doctors, psychologists, teachers and lawyers are to be won for participating in specialist conferences and congresses through their competences in certain fields and in this way contribute to influencing wide circles in the public.

Two other WPC events served to intensify the anti-SDI campaign: in mid-February 1985, the WPC's Standing Disarmament Commission held a two-day meeting in Geneva, and one month later, the WPC Presidium held an expanded meeting in Moscow from 22 to 25 March 1985. At the two meetings, the worldwide "campaign against the U.S. plans to militarize space" was incorporated in the action programs of the WPC and national committees, and, in Moscow, the "No to Star Wars!" appeal was launched.

In a statement at a press conference of the WPC on 19 February 1985, the WPC called for holding the "largest-ever campaign against space weapons"; the exact words were, "For a massive campaign at international level with the aid of demonstrations, meetings, resolutions, exertion of influence on members of governments and parliaments, collection of signatures, delegations, etc."

According to a WPC statement of 25 February 1985, priority in the "1985 action program of the World Peace Council", which comprises 46 typed pages, will be given to a "campaign against Reagan's "Star Wars" program and for a ban of space weapons". Karen TALBOT, the coordinating secretary of the WPC, gave the following detailed description of the campaign management, "This means that questions

of space weapons as well as declarations and petitions by the peace and anti-war movement incorporating broadest circles of society will be increasingly emphasized. The object is to achieve the widest possible and most imaginative propagation of information on the danger caused by Reagan's "Star Wars" project and at the same time underscore problems described in the WPC declaration. In the near future, the WPC will provide you with a great variety of information material... Please send us all statements and information referring to such activities, so that we are in a position to establish an information network on the campaigns in the various countries."

The most prominent and significant speaker at the plenary session of the WPC Presidium in Moscow on 22 March 1985 was Yuri Shukov, chairman of the "Soviet Committee for the Protection of Peace", who minced no words in formulateting what the Soviets wanted and expected of the WPC and front organizations under its control,

"Do not hesitate! Do not keep silent! No demobilizing sentiments! On the contrary, we should double, triple, increase tenfold our assault... Let the streets be filled with powerful demonstrations against weapons on earth and in space. Let the anti-arms supporters write to the negotiating parties, demanding that the desire of the peoples to prevent the militarization of space and to use space only for peaceful purposes be fulfilled."

The WPC also enhanced its worldwide agitation against the American space plans in the media field: the WPC's journal New Perspectives (published by the WPC information center in Helsinki in English, French, German and Spanish) focused its 4/85 edition (copy deadline: 10 May 1985) on the motto "No to Star Wars". In addition to the editorial, written by the editor-in-chief of the journal and WPC president, Romesh Chandra, four other articles condemned the American "Star Wars" concept using almost the same arguments. The cover of the journal depicts a symbolized skull that merges into the rear of an (American) aircraft. In its appeal-like language, Chandra's leader does not leave much to be desired as

concerns explicitness, "The World Peace Council calls upon all organizations standing up for the prevention of nuclear war to increase their mass campaigns for successful Geneva talks, for stopping the Star Wars program, banning the militarization of space, stopping the deployment of Pershing II and Cruise Missiles, and getting all nuclear powers to declare that they will refrain from being the first to use nuclear arms and will approve of a freeze and, ultimately, elimination of all nuclear weapons."

Both the March and April 1985 editions of the monthly WPC publication Peace Courier featured an appeal against the SDI program. The motto presented here corresponds word for word to that on the cover of New Perspectives : "No to Star Wars. Appeal against Washington's Space Madness!" Parallel to the systematic agitation in WPC-owned journals and information services, the WPC published a special brochure in several languages, entitled "The U.S. Space Offensive. Road to Nuclear Annihilation", which is distributed in large numbers worldwide by the WPC information center.

The central topic of agitation issued by the WPC - including the demand for a moratorium on space weapons testing - was at once or later on picked up by all communist front organizations, which passed it on to their specific target groups: the trade unions, professional groups such as journalists, students and medical doctors, and the religious sector. As in the campaign against NATO's double-track decision, one element in the new anti-SDI campaign is typical of the WPC's strategy: the WPC again obtains propaganda backing from organizations of experts and, with great success in the public, enforces it with specialist and scientific support. It is mainly three groups which in the spring of 1985 went before the public with appeals and activities for "preventing the militarization of space by the U.S.A.": the executive council of the World Federation of Scientific Workers (WFSW) in mid-March 1985, an International Symposium of the International Institute for Peace in Vienna on 13/14 April 1985, and an international group called "Generals for Peace and Disarmament" also in Vienna from 26 to 28 April and from 15 to 18 May 1985.

The tactics not to appear as the organizer of events, which is often praticed by the international communist propaganda organizations and its national member committees - which obviously parallels the development of the "Krefeld Appeal" in the fall of 1980 - was most typically evident at an event of the "International Liaison Forum of Peace Forces" (an above described cover organization of the WPC, whose function becomes clear from the fact that the two organizations have the same president) in Geneva from 12 to 14 June 1985. The event, known as the "International Dialogue for the Prevention of the Arms Race", was totally in line with the propagandist goals of the "Peace Forces for Preventing the Militarization of Space". The final document of the meeting again demanded an American moratorium on the development and testing of all space weapons. The International Liaison Forum furthermore intends to propose the staging of an international conference on the peaceful use of space under the auspices of the U.N. - again it is abvious that the attack is being directed against the U.S.A.

The "secretary general" of the International Liaison Forum, Oleg Kharkhardin, plays a key role in the process of Soviet control and coordination of the campaign. Being not only a permanent member of the WPC and 1st vice president (now for the first time called secretary general) of the "Soviet Committee for the Protection of Peace", the Soviet control body of the WPC, he also has top responsibility for the international "peace movement" within the section for "international social organizations" of the International Department of the CPSU's CC. According to available information, he has direct access to Ponomarev and is regarded as the man in the CC of the CPSU who controls the Western peace movement.

Parallel to the activities of the front organizations, the West German CP (GCP) and the spectrum of organizations on the communist party line under GCP control are conducting their operations. At the 5th meeting of the GCP board in Düsseldorf, West Germany, on 23/24 March 1985, GCP chairman Herbert Mies referred to the prevention of the militarization of space (by the U.S.A.) as a crucial issue.

According to available information, Mies went on to say that one of the "most important tasks in the struggle" was a "large information campaign" for influencing the Geneva disarmament talks between the U.S.A. and the USSR; the object was to develop "immense pressure of public opinion". One month before that, on 23 February 1985, the GCP-influenced "Committee for Peace, Disarmament and Cooperation" (CPDC) had discussed new "perspectives for action" at a seminar in Frankfurt/Main. Achim Maske, a member of the CPDC Bureau and at the same time a member of the WPC Presidium (similar to the WPC on the international level, the CPDC has assumed an initiating and coordinating role for the Federal Republic of Germany), announced that "mass material" on the "militarization of space" would be provided; this topic, he said, was to become the focus of argumentation within the "peace movement".

In a declaration of the GCP board on the one-sided moratorium in force at least until November on the deployment of medium-range nuclear missiles in Europe, which Soviet Secretary General Gorbachev announced on 07 April 1985, the GCP again pleaded for "coming out against the militarization of space by the U.S. government" and picked up the Soviet proposal for a moratorium "on cosmic attack weapons and related research."

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Supplementary Political Report

TgbNr.: 983/85 VS-V

Subject : The Soviet Project of a Communist World Conference: Various Tactics and Basic Problems Encountered by Moscow in the Struggle for a Summit of CPs

Summary : For 12 years now, the CPSU has been trying to organize another world meeting of CPs. Originally, the most important aims were the maintenance of strict conference continuity and Soviet predominance in principal ideological/political questions. The implementation of these intentions was impaired by an increasing differentiation of the communist movement - i.e. the emerging of "Eurocommunism" -, mainly because Moscow was not prepared to make concessions in controversial ideological subjects. The increasingly critical stances of non-ruling CPs toward Soviet domestic and foreign policies intensified the alienation. Apllying different tactics, the CPSU has so far made four attempts to push through the project of organizing a world conference in the communist movement. Up to now, all attempts have failed, and the prospects for the future do not appear to be brighter. But it seems safe to draw the conclusion that world conferences of the old type, which Moscow could abuse as an outward confirmation of its claim to leadership, are no longer possible as long as the CPSU considers the relative cohesion of the movement to be of top priority.

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The Soviet Project of a Communist World Conference

Table of Contents

A. Introduction

1. Conference Continuity as Original Aim

For 12 years now, the CPSU has been trying to stage a communist world conference as a follow-up to the Moscow CP summit of June (05 - 17 June) 1969, in this way attempting to lend continuity to these events as a specific form of Soviet influence on the communist movement. This Soviet Intention is explained on the one hand by the general fact that communist world meetings (with the Chinese CP still participating) were held in Moscow as early as 1957 (14 - 16 November 1957) and 1960 (late November), and on the other hand by the Kremlin's obvious original intention to hold these "international consultations" (the code word used for "world conference") at shorter intervals.

Problems in this respect, however, became evident from the relatively long interval between the second and third world meetings (mainly caused by the conflict between the Soviet and Chinese CPs). The situation worsened for the Kremlin in the 1970s, when numerous ruling and non-ruling CPs suspected the Soviet Union of trying to use conference continuity for indirectly reinstituting a new control center of the communist movement and - against the background of the confrontation between the Soviet and Chinese CPs as well as "revisionism" of Eurocommunism - use this quasi-organization for disassociating from unloved fraternal parties in terms of ideology and policies.

2. Soviet Reaction to Increasing Fundamental Dissent in the CP Movement

2.1 Reasons for Differences of Opinion

The latent suspicion of being forced to toe the line was enhanced by the Soviet reaction to the aggravating differences of opinion within the communist movement, which ultimately originated in the desire for emancipation by non-ruling CPs

(which are mainly motivated by internal national causes). The principal dissent comprises the demand for redetermining the principles of interparty relations, the search for new ways to achieve socialism, an independent assessment of the international situation at the expense of Soviet interests, and the right to criticize the past (Stalinism) and current state of "existing socialism".

2.2 Soviet Inflexibility in Questions of Terminology

The Soviet CP has shown little flexibility in its tactics toward these moves to question its leadership. Thus it has made only formal concessions to its fraternal parties regarding controversial ideological terms (such as the "dictatorship of the proletariat"), whose implementations as to contents it continues to postulate unreservedly. Moscow has insistently fought against the first signs of a weakening of "democratic centralism" in some CPs which started to tolerate the formation of opposition within the party.

2.3 Rejection and Distortion of a "Democratic Socialism" in the European CPs

The commitment of European CPs to political pluralism - which certainly is inconsequent as far as contents are concerned - and the creation of socialist conditions with the aid of parliamentary means (taking the risk of changing majorities) were theoretically rejected by the CPSU, although, in practice, it simultaneously tried to channel these currents by investing a new phase of social development called "antimonopolist democracy" preceding socialist revolution (communist takeover of power by means of popular front alliances) and, against this background, supporting the demand of Western CPs to get a share of the power.

The Kremlin is telling the eurocommunists, who make the transition to socialism dependent on a convincing majority vote of the population, that the election results of almost all Western CPs are lacking in political significance and

that their hold on society is negligent. It is thus using the conceptional weakness of "democratic socialism", which is adapted to West European traditions, as evidence for the legitimacy of its position. The "fraternal parties" concerned accordingly do not have the option of a "third way", but have to choose between adoption of "social democratism" or return to Lenin's revolutionary and social model.

This principal stance was recently confirmed once again by leading publication organs of the CPSU: an article in Communist (6/85) bluntly stated that, according to Lenin, pluralism and parliamentary systems could not form the framework determining a socialist society, but rather function as a lever (parliament as a forum for agitation) on the road to the socialist revolution, the success of which is largely based on the extraparliamentary struggle. On the other hand, in an article on the occasion of the 50th anniversary of the 7th Komintern Congress, Pravda (25 July 1985) defined the popular front theory propagated at that time as a "model" for current concepts of "anti-monopolist democracy" preceding major social changes in capitalist nations. In this way, Moscow is making the current communist movement part of a historic tradition on which many CPs look with reservation or even rejection, the only result being that the CPSU's claim to playing a predominant role will be met with increasing distrust.

2.4 Leninism as the Obligatory Basis of Action for all CPs

If only for that reason, the CPSU was at no time prepared to make concessions to the Eurocommunists who rejected Leninism as a theoretical reflection of specifically Russian conditions, mainly since this is connected with the negation of objective laws relating to the development of Socialist society according to Soviet experience. Up to the present day, the CPSU is not in a position to make concessions of this kind also because the Eurocommunist school of thought (disregarding its low practical actuality in Western Europe) is believed to pose a latent, uncalculable danger especially for Poland, where revisionist tendencies go hand in hand with a continuously desolate state of the Polish Workers' Party.

2.5 "Proletarian Internationalism" as the Basic Norm of Inter-Party Relations

It is in line with this way of arguing that Moscow has always protested against any type of basic criticism of "real socialism" by "fraternal parties". Such behavior is regarded as a violation of the non-ruling CPs' obligation to exercise loyalty and solidarity with the "socialist community", which, in Soviet view, is the core of "proletarian internationalism". Moscow has defended this term so vigorously against all demands for a revision made by the communist movement because it confirms the priority of international interests over national ones and in this way legitimizes the Soviet claim to predominance in the movement.

In this matter, however, the Kremlin is no longer certain of the loyalty of its direct allies (mainly Romania and Hungary) and continues to be confronted with the LCY's demand for a "new internationalism". It is conceived as voluntary internationalist cooperation based on new principles, forms and contents and intended to replace proletarian internationalism as a historically outdated instrument of the centralist leadership of the communist movement by the CPSU. The basically changed conception of internationalism ultimately - not only from the Yugoslav point of view - is to be used as a guideline for a reorientation of inter-party relations in the communist movement, which are to be governed by equality independence in domestic and foreign affairs and the priority of national issues.

B. Historical Developments

1. Interrelation Between Tensions in the Movement and Moscow's Conference Plans

So far, Soviet endeavors to call a new communist world conference have been increasingly impaired by the afore-mentioned basic theoretical controversies within the communist movement, considerably strained its cohesion and practically ruled out unity of action. The CPSU has certainly contributed to this development and consequently proved to be unable to defuse differences of opinion with and between the "fraternal parties" and thus stem the creeping process of disintegration in the movement. The crisis was aggravated not only by the Kremlin's refusal to depart from its maximalist idea of an ideologically unified movement of CPs acting in unity under Soviet leadership. It was also Moscow's handling of foreign affairs which enhanced a permanent factual dissent and periodically escalating tensions between the CPs. The CPSU has nevertheless tried different ways to accomplish its plan of holding a world meeting of CPs. In the past 12 years, four attempts were launched to this end.

2. Stages of Soviet Endeavors for Convening a World Conference

2.1 First Attempt

2.1.1 Propagandist Preparations

The first public attempt to prepare a communist world meeting was made in May 1973, when the then CC Secretary of the Bulgarian CP, Tellalov, in the journal "Problems of Peace and Socialism" advocated the step-by-step development of first holding a European CP conference and then a communist world conference. This double-track project was then propagated by CP leaders of the Soviet Bloc area (without Soviet participation). The link-up as well as the plan itself to stage a world meeting, however, quickly met with the reservation/rejection of major non-ruling, but also ruling CPs (Romanian CP, LCY).

2.1.2 <u>The Project of a European CP Conference</u>

The CPSU achieved a first success in implementing its conference plans with the convocation of a meeting of European CP representatives in Warsaw (16 - 18 October 1974), which was to be used to prepare a European CP conference. But at this occasion and at another preparatory meeting in Budapest later on (19 - 21 December 1874), resistance mounted against linking the two conference projects in terms of time frame and contents The opportuneness of a world meeting was categorically called into question in view of the internal disunity of the communist world movement - the conflict between the Soviet and Chinese CPs.

The first phase of Soviet endeavors for a communist world meeting reached a preliminary end with the European CP conference, held after lengthy and difficult negotiations in East Berlin on 29/30 June 1976. At this conference several European CPs (and also ruling CPs) rejected the holding of a communist world conference in the foreseeable future. Intelligence information indicates that the CPSU then shelved these plans, which for several years were not mentioned directly in the Soviet press.

2.1.3 <u>New Obstacles Resulting from the European CP Conference</u>

The results of the conference in East Berlin were additional handicaps for the further-reaching Soviet conference project:

- The European CPs demanded that the framework of international CP conferences in practice at that time, which had always served one-sided Soviet interests in conducting these events, be abandoned. Such giant events without a real and public discussion of problems were to be replaced by short-term meetings with limited objectives as they are held by the Socialist International. The most important norms for this type of meeting were to be public access, consensus methods and the legitimacy of different opinions.

- The "final document" of East Berlin for the first time contains the right to absolute independence of all CPs.
- In the same document - mainly as a result of intransigent LCY demands and against Soviet opposition (Brezhnev) - the term "proletarian internationalism" was replaced by "internationalist solidarity", thus formally abolishing the terminological center point on which the Soviet leadership claim in the communist movement was based.
- At the conference in East Berlin, the Euro-CPs officially claimed the right to criticize Soviet domestic and foreign policies, which they exercised there and at later occasions.

2.2. Second Attempt

2.2.1 Soviet Measures to Recover Lost Ground

In the period after these events (1976-1978), the CPSU concentrated on reinterpreting the results of the East Berlin conference to suit its interests, i.e. revising them mainly with a view to the movement of CPs outside Europe and thus regaining lost ground. Of central importance in this connection was a scientific meeting by Soviet Bloc CPs held in Sofia from 15 to 17 December 1976. It was the beginning of a counteroffensive in terms of publications and tactics applied by Moscow which focused on the following aspects:

- The terminology and contents of "proletarian internationalism" were confirmed to be binding on all fraternal parties. To avoid specifically breaking the East Berlin agreement, the Soviet functionaries (including Zagladin) used the argumentative trick of saying that "internationalist solidarity" has traditionally been a component of "proletarian internationalism".
- The CPSU expressly insisted on its ideological and political claim to leadership. It rejected any one-sided criticism of "existing socialism", mainly when it resorted to arguments of the class enemy. The non-ruling CPs, it said, were rather tasked to propagate in the West the success achieved by the "socialist community" in constructing a new society.

- The positions of the Euro-CPs were discredited as revisionism/reformism, latent anti-Sovietism and hidden fascism (Czech CP). At the same time, the CPSU purposefully gave these fraternal parties unequal treatment: the Spanish CP and its secretary general, Carrillo, were attacked with special vigor. In other CPs, the Kremlin intentionally supported pro-Moscow currents or factions or rival parties using arguments that were along Soviet lines.

The CPSU and mainly the Czech CP have since that time made polemics against Eurocommunism a fixture of their public argumentation referring to the communist movement. Even today they believe there is sufficient reason to continue: on the one hand, CPI leader Natta has unmistakably declared his support of Eurocommunist ideas (obligatory nature of democratic norms, pluralism) in an interview with the Yugoslav journal NIN as recently as January 1985, in this way confirming that the basic ideological differences of opinion with Moscow were still continuing. Prague promptly reacted with severe protest in the press. On the other hand, a trend emerged in 1985, showing that the moderate or Eurocommunist-oriented majorities in Western European non-ruling CPs (for example in Finland, Great Britain and the Netherlands) were asserting themselves against pro-Moscow minorities, which will ultimately result in a total isolation of the latter. A similar process seems to be seething in other CPs (eg the Norwegian CP). Thus Moscow has rather lost ground within the communist movement with its opposition against Eurocommunism.

2.2.2 Moscow's Tactical Rejection of the East Berlin Conference's Results and Its Implications

With the arguments laid down in Sofia, the CPSU clearly showed that it did not regard the decisions made by a multilateral CP conference as binding. In this way it downgraded the importance of controversial discussions at international

meetings of the communist movement, since it is obviously not permitted to make (compromise) decisions at the expense of Soviet interests. As a result, the credibility of Soviet arguments suffered increasingly, mainly in view of inter-party relations. In an exemplary way, Moscow ultimately enhanced the inclination of some fraternal parties not to participate in discussions about basic differences of opinion with the CP movement since they are regarded as useless, or to represent their own positions with uncompromising severity. In both cases, the conclusion most likely to be drawn would be to avoid participation in international consultations - such as a world conference of CPs.

2.2.3 Tactical Preparations for a New Attempt at Bringing About a World Conference

After these preparations, Moscow's second attempt to convene a world meeting of CPs entered its practical phase with the staging of an international theoretical conference of 73 CPs in Sofia (12 - 15 December 1978), with the Bulgarian CP and the journal "Problems of Peace and Socialism" acting as organizers. The event was intended to achieve three general goals:

- Condemnation of the Chinese CP, with Maoism being singled out as one of the most dangerous forms of counterrevolution (a goal that was not fully achieved); this process was of special importance in view of the looming invasion of Kampuchea by Vietnam and the ensuing punitive military action of Peking against Hanoi (first armed clash between socialist nations);
- Confirmation of the weight and role of existing socialism in international politics;
- Demonstration of the commitment to the unity and purity of the Marxist-Leninist doctrine.

2.2.4 <u>International Scientific Consultations as a First Step to a World Conference</u>

In addition to achieving the above results, the conference in Sofia was upgraded later by an - unsubstantiated - public statement of the CPSU, SED and Bulgarian CP saying that numerous fraternal parties had recommended to hold such meetings regularly. This statement is rather insignificant as such, but gains in special importance by the fact that only one delegate had requested toward the end of the conference that a new world meeting be held, on the grounds that the program adopted in 1969 had largely been fulfilled. The proposal itself was not discussed by the other participants, as the conference was drawing to a close.

The concomitance of these circumstances leads to the conclusion that the CPSU intended to use the institutionalization of scientific CP conferences within the framework of the journal "Problems of Peace and Socialism" as a first step toward staging a world conference. This assumption almost became certainty when the CC secretaries for ideology and foreign affairs of the Soviet Bloc CPs, at their meeting in East Berlin from 03 - 05 July 1979, expressed that they were in favor of regularly holding "international theoretical conferences" of CPs on fundamental questions of the revolutionary world process.

In the period 1979 to 1981, three meetings of this type were held (all of them in Hungary) with delegations from Europe and other continents attending. These meetings were complemented by a consultative conference of European CPs in Paris on 27/28 April 1980, which focused on the struggle against NATO's INF deployment decision. Since numerous CPs (Romanian CP, LCY, Italian, Spanish and British CPs) boycotted the meeting, a follow-up conference planned to be held in Helsinki in the fall of the same year did not materialize. On 07/08 July 1981, however, representatives of the central publishing organs of 67 CPs from all continents held an international

consultative meeting in Moscow. Thematically focusing on "Combat Against the Danger of War", it actually was already part of the next phase of Soviet efforts for staging a world conference. The delegates endorsed multilateral co-operation of communist media and at least partly declared their support of the CPSU's "peace program" as a political guideline.

In the years to follow, other multilateral CP meetings were organized by the Soviet Bloc parties - for example on the occasion of Dimitrov's 100th birthday in Sofia (15 - 17 June 1982, 140 delegations), for the 100th anniversary of the death of Karl Marx in East Berlin (11 - 16 April 1983) and in other capitals of the "socialist community". As recently as the early summer of 1984, functionaries of the Czech CP in public supported the establishment of international theoretical conferences as a "permanent practice" of CPs, since they were of great value in generalizing the experience made with the development of socialism and in working out a "common ideological platform" of the communist world movement. In this way, Prague has again confirmed the instrumental character of multilateral scientific conferences in the initiation of a world meeting of CPs, mainly because they have been tasked to overcome the differences of opinion among the CPs by perfecting the "means, methods and forms" of their international cooperation, thus stabilizing the unity of the communist world movement.

De facto, none of these meetings has actually brought about any success for the CPSU's endeavors to organize a communist world conference. International events that took place in the meantime (Soviet intervention in Afghanistan, Polish crisis, deterioration of East-West relations and the temporary Soviet refusal to continue the dialogue after NATO's INF deployment decision) rather contributed to reducing Moscow's chances of reaching its goal in the short term.

2.3 Third Attempt

2.3.1 Preparatory Phase

Despite the rapidly deteriorating preconditions for holding the conference, Moscow this time did not request to refrain from publicly discussing a communist world meeting (as was the case after the European CP conference). It did, however, continue to avoid any direct commitment on its part. Two examples clearly showed the ambivalent stance of the Soviet leadership: in his report to the 26th CPSU Party Congress (23 February to 03 March 1981), Brezhnev on the one hand raised the rank of the communist movement among the top priorities of Soviet foreign policy from fourth to third place, so that it now ranges even before Moscow's policy toward the West. Without comment, the Soviet media ackknowledged that representatives of non-ruling CPs repeated the request for a world conference at this party congress of the CPSU and that Soviet Bloc party leaders endorsed this demand at subsequent party conventions (Zhivkov at the 12th Bulgarian CP Party Convention from 31 March to 04 April 1981, and Husak at the 16th Czech CP Convention from 06 - 10 April 1981). On the other hand, it tried, with the conference project in mind, to normalize its relations with the Japanese CP in an exchange of letters in the summer of 1981. This attempt failed, however. The Japanese CP explicitly refused, for instance, to participate in a communist world conference or support Soviet foreign policies in any other way.

Moscow, however, was discouraged neither by this failure nor by the tensions with Western European CPs, which increased visibly in the second half of 1981, when Soviet interference in the inner-Polish crisis escalated. This process at least indirectly showed Moscow that the use of military force in or against Poland would add further problems to communication within the communist movement. Another alarm signal for the Kremlin was the fact that several Western European CPs - mainly the CPI - and the Yugoslav CP were increasingly dissociating themselves from the Soviet arms control policy, were arguing in favor of NATO as a factor of military balance and were attributing equal political responsibility to the two world powers in this respect.

2.3.2 Explicit Proposal for a World Conference by the Czech CP

Without considering the tense situation in the CP movement, Bilak (a presidium member and CC secretary of the Czech CP) for the first time expressed the demand to call a world conference in precise and explicit terms during an editorial staff conference of the journal "Problems of Peace and Socialism in Prague from 24 - 27 November 1981 in an address to representatives of 90 CPs. His proposal consisted of three main points:

- The topics of the meeting are to be limited to "questions of disarmament and peace";
- There will not be an adoption of a comprehensive program;
- A group of CPs comprising representatives from all continents is to take the initiative for organizing a world conference. He did not disclose in what way this was to be done.

2.3.3 Public Commitment of the CPSU to a World Meeting

After the consultative meeting of CPs in Prague, the CPSU publicly took up the Czech PC proposal in early 1982, thus finally giving up the official restraint it had so far exercised in this matter. In doing so, Moscow was considering the fact that its relations with many Western European CPs - especially the CPI - had reached rock bottom after the proclamation of martial law in Poland (13 December 1981). Against this background, the CPSU added several significant points to Bilak's proposal, indicating that basic agreement has already been reached regarding the procedures for convening a world meeting. Further agreements were to be made at bilateral and multilateral levels. Binding rules for upcoming decisions were to be that participation in the conference was "voluntary", a veto against the event would not be accepted, and thus the presence of all CPs no longer was a precondition for holding the conference.

2.3.4 Moscow's New Tactical Concept a Failure

In practice, the CPSU did not keep up its threat of strict dissociation from unruly fraternal parties with a view to the world conference. After only a short time, it resumed

its attempts to win the wilful CPs for the conference project - though still without success. It even accepted spectacular assistance of loyal fraternal parties. The Canadian CP, for example, addressed a letter with an appeal to participate in a world meeting to all CPs, which however, did not raise much interest. Brezhnev nevertheless tasked the Czech CP to prepare the world conference at his last Crimean meeting with Husak (30 July 1982).

As early as the spring of 1982, however, Bilak internally had already made pessimistic remarks about the chances of realizing the project. His assessment of the situation proved correct. The front of rejecting or mutely opposing CPs could not be broken up. Subsequent rumors, partly launched through intelligence channels and indicating that a world conference would be held in the winter of 1982/83 or in late 1983/early 1984, were found to be incorrect. After the advance in January 1982, this subject disappeared from the Soviet media until the early fall of 1984. Some partly leaders in the Soviet Bloc every once in a while voiced their interest in holding a communist world meeting (e.g. Kadar at the CC Plenum of the Hungarian Socialist Workers Party in April 1983, or Barcikovski, a member of the PUWP's Politburo and CC secretary, at the Karl Marx Conference in East Berlin from 11 - 16 April 1983). Only the Czech media again and again devoted great attention to the problems of organizing such a conference.

2.4 Fourth Attempt

2.4.1 Phase of Propagandist Preparation in the Soviet Bloc

Practically without media preparation within the communist movement, the CPSU indirectly took up the project of a world conference again in September 1984. In Pravda on 06 September 1984, it published the report of the secretary general of the Argentine CP on a regional conference of Latin American CPs held in Buenos Aires from 05 to 07 July 1984, where the public demand to hold a world conference was allegedly made - which is not true.

Shortly afterwards, the East German SED party picked up the subject. In late October 1984, together with the Greek CP, it stated that it was basically in favor of "international consultative meetings of the fraternal parties on topical and urgent questions of the joint struggle". In his report to the 9th SED CC Plenum (22 November 1984), Honecker referred to the purported appeal from Latin America and voiced his party's tentative willingness to communicate collectively with other CPs about the opportuneness and organization of an "international consultative meeting". The way this statement was phrased clearly shows that East Berlin had doubts about the prospects of implementing these conference plans.

Surprisingly, Ceausescu also mentioned the subject of a world conference in his report to the convention of the Romanian CP (19 - 23 November 1984) - presumably after Moscow had exerted pressure on him in this matter (Ponomarev's visit to Bucharest on 12 November 1984). As in earlier statements, he voiced the expected restrictions by tying his approval of international consultative CP meetings to the conditions that the rules of a free exchange of opinions be observed, no decisions be made and no conformity of standpoints be stipulated.

2.4.2 Massed Intra-Bloc Demands for Holding of Conference Under SED Auspices

After this development, the advance for the Soviet conference project which appealed most to the public was again made at an editorial staff conference of the journal "Problems of Peace and Socialism" held in Prague from 04 - 06 December 1984. At this meeting, a minority of the 91 CPs present demanded to hold a world conference, with some of them even supporting the idea of returning to a comprehensive conference theme ("Questions of the Struggle for Peace and Social Progress, Resistance Against Imperialist Reaction"). SED Politburo member and CC Secretary Axen repeated the offer of his party

to hold consultations and in this way demonstrated that preliminary negotiations within the communist movement would be held under SED intra-Bloc auspices. This impression was confirmed even more by the obvious restraint of the Czech CP during the editorial staff meeting. The Czech CP representative, Bilak, did not even address the subject of a conference, thus indirectly expressing Prague's frustation after the disappointing experience of unsuccessful efforts in this matter.

2.4.3 Muted Reaction in Communist Movement to Written Appeal for Conference by Argentine CP

In addition to the special role of the SED, the Argentine CP seems to have assumed the position of a conference protagonist among the non-ruling CPs. Obviously timed in relation to the consultation in Prague, it sent a letter to all fraternal parties calling upon them to support a communist world conference. So far, however, reactions have become known only in some cases. The LCY, for example, answered in a negative way in early February 1985, stating that the preconditions necessary for a world meeting were not there. At the same time it confirmed that it was generally prepared to participate in "multilateral meetings" under the condition that all CPs agree, the consultations are public and that no binding documents are adopted. Yugoslav media in the meantime have repeated this stance several times, the latest instance being a reply to Husak's calling for a world meeting of CPs at the 15th CC Plenum of the Czech CP on 19 June 1985. Politika, a daily paper, explained on 03 March 1985 that the Euro-CPs suspected Moscow of using the conference project for revising the results of the European CP conference in East Berlin (29/30 June 1975).

This theory is supported by the fact that CPI secretary general NATTA has uncompromisingly rejected the idea of a communist world conference - also in interviews with the Yugoslav press. The CPI fears that this is another attempt of Moscow to press the communist movement into a new organiza-

tional framework on the basis of "proletarian internationalism" It is remarkable that the French and Spanish CPs, whose commitment to Eurocommunism has become rather limited, so far have not shown any reaction to the propaganda for a world conference of CPs which has been stepped up again since late 1984.

2.4.4 <u>Restrained Reaction to Proposal Conference by Soviet Bloc CPs in the Course of the Year</u>

The new advance to hold a world conference of CPs has not prompted a corresponding propaganda campaign within the Soviet Bloc. In the course of the year, Moscow's fraternal parties have dealt with this topic in a rather dilatory manner. In cultivating its numerous contacts with non-ruling CPs, the SED, for example, only in one case made a joint statement in support of a world meeting part of a communiqué (talks between Honecker and Fava, the secretary general of the Argentine CP, on 15 May 1985). Top SED functionaries did not even mention it. The communists of Poland and Bulgaria are exercising similar restraint.

Apart from the afore-mentioned statements by Husak, it was only the Romanian CP and Hungarian Socialist Workers' Party which developed public commitment pertaining to the conference project: at the CC Plenum of the Romanian CP on 24 July 1985, Ceausescu once again reminded of the necessity to hold communist consultative meetings at international level. But he considerably reduced the formal reservations he had put forward at the party convention (no interference in or challenging of the policy of a CP) and no longer expressly linked his plea for a "consolidation of solidarity and unity" of the communist movement to certain norms of inter-party relations. While in November 1984 he did not refer to thematic questions at all, he addressed a broad range of overdue topics of discussions which by far exceeded questions of disarmament and preservation of peace. With his presentation of the Romanian position regarding a world meeting of CPs, Ceausescu came quite a bit closer to the Soviet position.

Budapest's argumentation, which in the meantime has experienced a shift of emphasis, is to be assessed in the same way. In the fall of 1983, CC secretary Szürös stated in a lecture that there was no basis for calling a world meeting of CPs and that there were no organizational structures at all for formulating a joint strategy of the communist movement. In this way he signaled that the HSWP was pessimistic about the chances of the conference project, which Kadar, however, had supported on condition that suitable preparations be made and the topics be limited to the "defence of peace" (HSWP's CC Plenum on 12/13 April 1983). As recently as March 1985, the Yugoslav journal Politika implied that the Hungarian communists were taking a special position - for quasi-domestic motives - since, within the communist movement, they were supporting independent methods in the establishment of socialism according to national requirements.

In the drafted program for the 13th HSWP congress (25 - 28 March 1985), however, Budapest moved remarkably close to Moscow's position. "Extraordinary importance" was now attached to the organization of communist world conferences, since they reportedly enabled the CPs to find new ways for a common stand and determine specific joint actions - in line with "proletarian internationalism". This stance, however, was not discussed by the Hungarian media, which remained totally silent on the topic of the conference project itself. It gives rise to the assumption that the HSWP - like the Romanian CP - paid tribute to Soviet demands despite the fact that it does not at all support the conference plans enthusiastically out of factual conviction.

2.4.5 The Chinese CP as a New Obstacle for Soviet Conference Plans

Resistance from the ranks of the CPs against the CPSU gains considerably in political significance, since the Chinese CP has in the meantime rejoined the communist movement and in early 1985 reclaimed the right to have a say in the convocation of a communist world conference. Owing to this process, the relationship between Moscow and Peking is of central importance. Although the Kremlin reoriented its

policy toward China in March 1982 toward a normalization of national relations and recognizes the PR China - although not consequently - as a socialist state, there are no contacts between the two CPs. Their rivalry in terms of ideology and power politics is unbroken.

These circumstances are bound to have some effects on the communist movement. The specific political weight of the Chinese CP, for example, considerably reduces the CPSU's claim to leadership over the fraternal parties. On the other hand, Peking's intention of incrementally freeing Marxism from excessive ideological burdens and adapting it to Chinese conditions encourages corresponding revisionist tendencies in other CPs. Under these circumstances, the inter-party relations within the communist movement will have to be redefined at the expense of the CPSU, if the movement itself is to go on existing as a political force. A conflict with Moscow therefore is inevitable and will increase the problems barring the way to a world conference. This became even more clear when the Chinese CP in January 1985 indicated that it did not generally oppose a world conference, but that it was against holding one under the present circumstances, since it would certainly increase the rifts within the movement if held now. Peking furthermore stated that it totally rejected any party's claim to leadership or the binding presentation of a social model. As for the rest, the Chinese CP agrees with the Romanian position about the rules that would have to be observed with respect of an international consultative meeting of CPs.

2.4.6 Ambivalent Soviet Maneuvering: Uncompromising in the Central Question - Active in the Improvement of Dialogue with the European CPs

The CPSU has so far avoided to give direct media support to the demand for a world conference. It showed its interest by repeating corresponding demands of other CPs as long as they unconditionally followed the line of Soviet conceptions/

goals for a conference. Only concerning the subject to be discussed at a conference has Moscow indicated that it intended to stick to "problems of war and peace", i.e., propagandist handling of basic questions of arms control (prevention of a nuclear world war and corresponding comprehensive disarmament measures).

In addition, the CPSU quite ostensibly insists that mechanisms exist within the communist movement for voluntary cooperation/communication, which have been adapted to present conditions, and thereby also pleads for holding international theoretical conferences as they had been staged or advertised between 1978 and 1981. In early 1985, Ponomarev (a candidate member of the Politburo and CC secretary of the CPSU) took a more explicit stance when he - referring to opinions voiced in the communist movement - endorsed a regular exchange of opinions and coordination of actions by the CPs. It should be remembered that, to the present day, the CPSU has maintained that it would absolutely insist on the ideological principles and norms described in the introduction of this report in determining its relationship with the CP movement. In this way it unmistakably shows that substantial Soviet concessions are not to be expected in solving fundamental controversies that are paralyzing the communist movement.

Not even Gorbachev's succession to power as secretary general of the CPSU (11 March 1985) was able to bring about some change in the rigid fronts throughout the communist movement. Although - according to intelligence reports - expectations in the Soviet Bloc are increasing that the new Soviet leader will energetically pursue the aim of holding a world conference and focus on organizing it after the 27th party convention of the CPSU, corresponding activities of the CPSU have not been observed so far. Furthermore, there is also intelligence information indicating that Moscow would continue to exercise restraint. With its explicit acknowledgement of the 50th anniversary of the 7th Komintern Congress, the CPSU has in fact signified which forms and principles it continues to prefer

in the cooperation of communist parties. The Komintern and its leadership are generally credited for always having brought the member parties to toe the "true political line" by energically settling differences of opinion and decisively combatting opportunist currents. The communist movement was said to carry on the "great heritage" of the Komintern especially in the struggle against war which at that time already had allegedly been caused by the most reactionary forces of imperialism. Therefore it was the special task of the communists to take action against the "lie" of Moscow and Washington having equal political responsibility in endangering world peace. The incompatibility of this way of arguing with the - afore-mentioned opinions of numerous ruling and non-ruling CPs is evident.

Despite the unchanged rigidity in defining its own position, the CPSU under Gorbachev is following a distinctly more obliging tactical line toward major non-ruling CPs, which focuses on the reduction of tensions, a more superficial decrease in differences of opinion and the improvement of political dialogue. During Chernenko's term of office already, negotiations between the leaderships of the CPSU and Japanese CP (Moscow, 11 - 17 December 1984) had been successful in achieving a convergence in the goals of the arms control policy. Although previous differences in analyzing the international situation and nuclear arms race as well as dissent in "other questions" could not be overcome, the two parties agreed to join forces in pushing through certain demands in the field of disarmament (e.g., no first use of nuclear weapons, prevention of the militarization of outer space, treaty on non use of nuclear weapons, ban of nuclear weapons tests, nuclear-free zones in Asia and other continents) and to hold regular consultative meetings on these topics. The improvement in the relations of the two parties was clearly evident at Gorbachev's meeting with T. Fuwa (secretary general of the Japanese CP) on the occasion of Chernenko's funeral: the communiqué did not contain indications of dissent and gave the impression of agreement on disarmament questions.

The international symposium on questions of fighting for the prevention of a nuclear war and banning atomic weapons, organized by the Japanese CP in Tokyo from 10 to 13 July 1985 with 27 CPs from Asia, Europe and Central America attending, is seen as a result of the partial convergence and selective cooperation arrangements of the two parties. The Soviet media acknowledged this meeting with satisfaction. They pointed out that the U.S.A. was generally blamed for having initiated the nuclear arms race and pretended there was broad consent among the conferees on the Soviet arms control policy. Pravda nevertheless admitted "occasional differences of opinion", which were mentioned only briefly in a TASS report (13 July 1985): dissent among some conferees apparently focused on criticism of the Soviet arms control practices, which combine a permanent arms build-up for the "maintenance of the military balance" with attempts to eliminate the nuclear arsenals. It contains the implication that the Soviet are trying to disguise their responsibility in the nuclear arms rade. All in all, this process does not indicate that the CPSU convinced the Japanese CP of the communist world conference project. Nevertheless, obstacles regarding the planned conference topics have been removed.

Gorbachev is obviously also trying to achieve a long-term improvement of relations with the Italian CP, although spectacular events - as was the case with the Japanese CP - have not taken place yet. The Soviet Secretary General had already established personal contacts with the leaders of the Italian CP during his visit to Rome on the occasion of Berlinguer's funeral (13 - 14 June 1984). Changes in atmosphere then became evident in his talks with CPI Secretary General Natta at Chernenko's funeral. They did not touch on possible differences of opinion and instead stressed joint efforts for disarmament "on earth and in outer space". Shortly afterwards, Soviet television gave Natta an opportunity to praise Moscow's current line in arms control policy. The upward trend in relations between the two parties was again consolidated when Gorbachev totally unexpectedly received G. Cervetti (member of the CPI's directorate)

for talks during which he created the impression that the CPSU was seriously interested in intensifying constructive communication with the CPI. So far, practically no evidence has been found for the durability of the convergence between the two CPs, since there are as yet unsettled principal differences. Evidence - either positive or negative - will become available after Natta has paid his visit to Moscow planned for this year. It will also show whether the common positions of the CPSU and CPI in (foreign) policy are sufficient for winning the Italian communists to participate in a world conference of CPs.

C. Intra-Bloc Analysis of Reasons for Failure of World Conference Project

1. Only Little Intra-Bloc Examination of CP's Reasons for Rejecting a World Conference

It is significant that the Soviet Bloc CPs so far have hardly examined the reasons and arguments of "fraternal parties" which have rejected a communist world conference for more than a decade, although there is a clear continuity in the reasons explaining their behavior. Even the CPSU has commented upon this question in a highly unsystematic way. Basically, it has attributed the inclination of Western CPs to ideological and political "disloyalty" to the influence exerted by the bourgeois environment (anti-communism, hostility towards revolution of the petty bourgeoisie committed to progressive views), to insufficient combat experience and a lack of theoretical stability in times of reduced class conflicts. Only the Czech CP - in agreement with the CPSU as regards contents, though much more extensively and systematically than the CPSU - investigated the reasons why the fraternal parties are objecting to a world conference. Its findings look like a justification of Prague's unsuccessful attempts at making a constructive contribution to the preparation of a world meeting of CPs.

2. The CPC's Account of Motives for Opposition

The following is a summary of the most important aspects relevant in this connection:

a) Numerous non-ruling fraternal parties (especially the CPs of Italy, Spain, Great Britain, the Netherlands and Japan) are taking "special positions" in assessing the international situation. To some extent, they have moved away from Marxist/Leninist positions. Some parties explicitly support the bourgeois theory of the Soviet Union and the U.S.A. being equally responsible for the increased tensions in the world.

b) Some "objectivists" or "opportunists" in the communist movement maintain that assistance of nations in the "socialist community" for other socialist countries or for nations fighting for freedom and independence is destroying the balance of power in the world and forces the capitalist countries to take "retaliatory measures". It was this causal relationship that gave rise to the current international crisis.

c) Some CPs are of the opinion that questions of peace, danger of war, disarmament and détente are important for all peoples and nations. Dealing with these problems - mainly finding ways to solve them is no monopoly of the communists. One reason why they should not be discussed at international communist consultative meetings is that there are considerable differences of opinion in the CPs' assessment of the international situation which triggered a crisis within the communist movement. The CPs do not even agree on the way and means of overcoming this crisis and avoiding new dissent of the same nature in the future.

It is mainly the LCY which has so far held this view. If implemented uncompromisingly, this view would be apt to prevent the implementation of a world conference for ever. Belgrade's currently more flexible argumentation does not contradict its factual standpoint because it does not refer to possible subjects of consultation.

d) Some representatives of communist parties believe that joint actions of communists and multilateral meetings are neither necessary nor desirable. They reason that the CPs work under highly different national conditions, which leave no leeway for a worldwide coordination of communist activities, not even on one point only. Every joint effort of CPs would therefore sow the seed for an international communist organization.

e) Another reason why some CPs reject a world conference is that their opinions on various principal points of discussion within the movement differ from the opinions of other parties to such an extent that it would be almost impossible to reach an agreement. This reservation mainly refers to the subject of proletarian internationalism. Appeals for implementing its principles remind these CPs of bygone days when the world in terms of national borders was divided into "socialist" and "other" nations. In this connection, the Czech CP considers it "paradox" that exactly those comrades who at that time had demanded "discussion in the movement" today are not prepared to participate in an international conference. It does npt, however, make mention of the obvious connection between the European CP conference in East Berlin (29/30 June 1976) which had replaced the term "proletarian internationalism" by "international solidarity", and the subsequent refusal of Moscow to accept this decision as binding.

f) Some CPs generally react with prompt opposition and state reasons why it is not necessary to hold a world conference whenever this is mentioned. They reject a document and the place and timeframe of the conference. On principle, they are against any conclusions arrived at during joint discussions of problems. They ultimately entertain the idea of a "new movement" to replace the old communist movement, and "new forms of international relations" which are not based on the principles of Marxism/Leninism.

The Czech CP does not allow this stock-taking to interfere with its opinion of the relevance of a new world conference and the legitimate ideological claim to leadership of the CPSU. Nevertheless it has drawn an important generalizing conclusion from its examination of the desolate state of the communist movement: the experience of current dissent between the communists forces the CPs of the Soviet Bloc to search for ways to eliminate mistakes that led to an aliena-

tion in the movement. This admission is even more significant since, as recently as 1982, the CPC had rejected any reference to earlier deformations or mistakes of the communist movement, arguing that these had been overcome long ago.

The resulting basic dilemma for organizing/implementing a communist world conference had already been indirectly described in an article in Trybuna Ludu (24 February 1984): the author first said that more than 60 CPs were prepared to participate in a world meeting. Then he admitted, however, that the conference project could not be put into practice by a majority vote, i.e., more or less "by force". Indirectly rejecting earlier Soviet arguments, he pointed out that he considered the participation of as many CPs as possible to be of absolute priority, even if this gave a minority of fraternal parties a leverage to block the event. The two main factual problems mentioned in this connection were the establishment of a consensus on the purpose of international consultative meetings and the guarantee of a "democratic" framework for the event. According to the PUWP, these problems can only be solved after a period of time without disclosing how long it would take. Some intelligence clues and the CPSU's new wooing of the European CPs allow the conclusion that the Kremlin agrees with this analysis of the problem and intends to win all CPs of the "opposition front" for the conference project instead of planning a world meeting in the short term "by hook or by crook".

D. Outlook

1. The present state of the communist movement leaves Moscow almost no way to put into practice earlier plans of continuous world conferences, which at least for outward appearance would demonstrate the Soviet claim to predominance. Important general conditions have - apparently irreversibly - changed: formally, major events copying the rituals of the Byzantine protocol are no longer feasible. A comprehensive conference theme and an action programm resulting from it will founder on the demand to hold concrete discussions on current problems in public, permitting controversial argumentation and not being targeted at achieving a final consensus or unity of action. Behind all this is the conception of a movement with a totally new orientation - corresponding to the norms of a communication/ccoperation system and the self-respect of its members -, which rules out any conformation of CPs as a monolithic unity.

   The controversy about the central question of the ideological character and political purpose of the communist movement led to a stalemate between the CPSU and its opponents among the fraternal parties, which moscow will not be able to overcome with the classic means of repression and power politics as well as the refusal to give up its rigid positions. Starting in the 70s, communist world conferences in reality largely lost their function as a political instrument of supervision which the CPSU has used so as to make the non-ruling CPs accept and employ the "international historical experience" of the October revolution and the Soviet society at national level and commit them to the defense of Soviet interests in the field of foreign affairs.

2. In addition to that, Moscow's conference plans are burdened with a variety of concrete problems: even a world meeting that would be limited to the questions of disarmament and prevention of war hardly has any chance of being implemented at present. Since the CPs that rejected or dissociated them-

selves from this topic made no contributions to an alternative agenda, the question arises whether there are today any topics of discussion for a world conference at all. There seems to be some truth in the assumption that some CPs are basically trying to avoid participation in such an event in this way, since Moscow, to serve its own interests, has committed itself to the question of security policy and, in a way, is now stuck with it.

The CPSU can hardly offer any credible arguments against the general theory that an international consultative meeting would only shed more light on the rifts and differences within the communist movement, mainly because its unconcealed claim to leadership is keeping the tensions between the CPs alive. On the one hand it is not able to dispel the strong suspicion of some fraternal parties that any world conference (not to speak of a continuous series of such conferences) would provide the Soviet Union with a new organizatorial tool to consolidate its leading role within the communist movement. On the other hand, it does not have a remedy for a fatalistic mood among the CPs that international consultations no longer hold the prospect of solving controversial problems and that there is therefore no longer any justification for holding them. Moscow obviously continues to consider the concession of so to speak institutionalizing dissent in questions of foreign affairs as a natural occurence at communist consultative forums and desisting from achieving unity of action too high a price to be paid for a world conference. On the one hand, this would lead to political pluralism which - predetermined by scientific communism - would methodically be in contrast to a uniform assessment of international developments and thematically not be justified in view of the (postulated) superior communist community of interests. On the other hand, such a concession would be an open invitation to nonruling CPs to pursue their own ambitions - often motivated by domestic policies and therefore egotistical - at the expense of Moscow, so that any attempt to undertake united international actions would become a farce.

By permitting or even recognizing "revisionist" (i.e., neutralist") foreign-policy views of CPs, the Kremlin would run the risk of the moral claim of its foreign policy being openly minimized in the movement and the "partial" yardsticks for assessing international developments on a friend-foe-basis being shifted toward an equating of the social systems regarding their international responsibilities norms for actions. As far as this is concerned, it must be said for the Soviet claim to leadership that it is logically consistent in a way.

But neither is the Kremlin able to report to the obvious alternative of excluding opposing CPs from the process of international communist consultations. Such a step will not only meet with the disapproval rejection of Moscow's allies. It would also drive the communist movement into a new schism and in another way provide impressive proof of the limits of Soviet influence in the movement. Neither would it solve the problem of the silent majority of non-ruling CPs which - despite purported internal approval - have so far refrained from giving an open answer to the numerous demands for a world conference, although their votes could result in considerable pressure in favor of the CPSU. The main motives of these CPs have so far not been analyzed. It is inexplicable why Moscow did not succeed in mobilizing them for its conference plans.

3. Regarding these aspects, Yugoslavia'a reproaching Moscow for trying to implement a communist world conference "at all costs" seems unjustified - even more so since Belgrade at the same time implies that the CPSU considers the event as such to be of utmost importance. It was said to permit the projection of an image of political unanimity and unity of action in solidarity with the foreign-policy line of "existing socialism". But particularly the latter goal is a price the Kremlin is <u>not</u> prepared to pay also in the future and which - quite logical - not even the LCY believes to be realistic. But if the discussion

in the communist movement is taken at face value, there would not be a real chance to hold a world conference in the near future even if the Kremlin were actually prepared to pay a high price. The project seems even more unlikely to be realized soon, since important ideological and procedural concessions on the part of Moscow are not beginning to emerge and since the CPSU has not yet succeeded in pushing through the desired central conference theme - disregarding certain outward success in recent times. The Kremlin's indirect intensive commitment to a world meeting continues to take these conditions into account and there is no evidence of the Soviets being in a "state of panic".

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Table of Contents

135/C

I. Self-Perception and Function of the International Communist Front Organizations as Instruments of Soviet Influence on Affairs in the Western and Third World Countries

1. The Soviet Doctrine of "Peaceful Coexistence" as the Political Basis for Actions of the Front Organizations

The draft revision of the CPSU party program published on 26 October 1985 and unanimously adopted by the 27th Party Congress associates the principle of "peaceful coexistence" exclusively with the relationship between socialist and capitalist countries and seeks its universal acceptance "as a generally recognized and commonly observed norm of inter-governmental relations". The CPSU "sees as inadmissible the transfer of ideological dissension between the two systems to the sphere of these relations". For tactical reasons, no direct reference to the ideological component of "peaceful coexistence" is established,i.e., the "struggle against bourgeois ideology" and the "extremely intensive struggle between the two philosophies in the international arena" are mentioned elsewhere in the program.
From the Soviet point of view, the principle of "peaceful coexistence" pertains exclusively to relations between countries of different social orders. It does not touch on
- relations between socialist countries,
- the intra-national sector, i.e., "life within the nations",
- the field of ideology ("there can be no compromise with anti-socialist ideas").

In the Soviet view, "peaceful coexistence" combines three elements:
a. Avoidance of the incalculable risks of destruction in a war (in the nuclear age) with the principal "imperialist" powers;
b. Selective involvement (of the USSR) in international division of effort and peaceful cooperation and
c. Competition and rivalry between the social systems.

Linked with this is the continuation of the transnational struggle, i.e., conducted across national borders, of the irreconcilable ideologies and "antagonist" social systems mainly with the instruments and methods of (foreign) propaganda and agitation.

Consequently, "peaceful coexistence" is a prolonged historical transition phase pending the disappearance of the opposing political system and, as such, an instrument for the expansion of the socialist system through the exertion of influence on the socio-economic and political order of the Western (and Third World) countries with the aim of changing them.
The double-track strategy of the Soviet coexistence policy is thus manifested by intergovernmental "peaceful coexistence" and simultaneous transnational struggle against the opposing ideology and system.
For the conflict between the systems in the non-intergovernmental sector, the doctrine of "peaceful coexistence" provides for asymmetric combat conditions: Ideological warfare is to take place only at the points of contact between the two systems and inside the Western camp.
As the Soviets see it, a concentration of the conflict on this level means a large degree of disadvantages and risks for the Western side. Unlike the Soviet Bloc, the Western countries do not have organizations on the social level which would guarantee a uniform, state-controlled articulation of interests to the outside - primarily under the aspect of the ideological struggle between East and West. It is mainly the pluralist structure of the state and society in the West which offers a very large variety of avenues for well-directed and coordinated Eastern attempts at penetration and transformation. This characteristic aspect of the Western system is viewed by the Soviets as a major weak spot which can be fully exploited especially in a phase of intensified coexistence. This is particularly why this transnational level of influence forms a significant psychopolitical field of activity and why it is particularly susceptible to Soviet intergovernmental policy.

Here, the Soviet Union operates a whole set of instruments for achieving influence and mobilization, which are aimed at activating the protest and dissension potentials in the Western and Third World countries and thereby braking up the basic consensus in the fields of foreign and security policy. On this level, the "struggle for the souls" of the people is waged with the means of psychological warfare.

2. The Soviet Influence and Control Mechanism

No state except the Soviet Union operates such a comprehensive network of open and covert organizations and means of influence. A multitude of partly interwoven agencies for furthering and implementing Soviet interests are active on international, regional and national levels and serve the systematic expansion of political influence:

- The foreign apparat of the CPSU Central Committee (including the assisting world research institutes), especially the "International Department" (headed until the 27th Party Congress by CC Secretary B.N. Ponomarov) and the "Department for Foreign Information" (headed by L.M. Zamyatin). The "International Department" with its staff of 200-250 keeps in contact with some 100 non-ruling communist parties in 95 countries. It also controls and governs the Inernational Communist Front Organizations and is responsible for relations with "peace" and "liberation movements" all over the world and for the chief ideological organs of the international communist movement (such as the journal "Problems of Peace and Socialism" published in Prague in 40 languages and disseminated in 145 countries). It is very likely that staff members of this department keep an eye on the local and regional campaign management on the spot (i.e., from Soviet diplomatic representations).

  The "Department for Foreign Information (or International Information)" set up in February 1978 mainly coordinates Soviet foreign propaganda and takes a hand in the presentation of the Soviet foreign policy in the Soviet mass media for a national audience. The staff includes, for

instance, journalists well known in and with excellent knowledge about the West, such as Nikolai Portugalov who also holds the status of a CC consultant. The "Department for Foreign Information" supervises the activities of the foremost components of the Soviet foreign propaganda apparat (TASS, Novosti-APN, New Time, Radio Moscow, etc.) and has repeatedly acted as public relations agency for the Soviet General Secretary in office.

- The pro-Moscow communist parties in the West and the rest of the world;
- The foreign representations of the Warsaw Pact countries (including cultural exchange institutions and friendship societies such as the "Federation of Soviet Societies for Friendship and Cultural Contacts with Other Countries" (SSOD)*)

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*) SSOD is the parent organization for 80 associations and societies. In its own words, the federation has contacts with roughly 9000 organizations and individuals useful for the USSR as "multipliers" (like policymakers, scientists, artists, etc.) in 140 countries. The most effective forms of approach and contact for SSOD are partnerships, delegation exchanges, group travels and the staging of exhibitions.

In the USSR, the SSOD currently controls over 1000 subordinate organizations in the union republics and cities as well as 300 basic groups in enterprises, institutions and schools. Affiliated are also the 14 friendship societies in the union republics. The Soviet united towns association as well as federations of scientists and cultural workers are associated with the SSOD.

There is obviously a division-of-effort arrangement between the communist front organizations and the friendship societies. It has repeatedly been observed that the societies, under the guise of exclusively cultural activities, established the basis for subsequent activities of the front organizations at national level.

- The intelligence services of the WP countries, especially the KGB, where "Service A" of the First Chief Directorate is in charge of "active measures", i.e., covert actions, falsifications, disinformation and operations for obtaining influence, and lends clandestine support to Soviet propaganda campaigns.

- The "International Communist Front Organizations", such as the "World Peace Council" (WPC) or the "World Federation of Trade Unions" (WFTU). The WPC is by far the largest and most effective Soviet-controlled organization for "peace propaganda".
  Most of today's communist front organizations came into being immediately after the end of WW II. Almost all their headquarters are now in East European capitals. They are disguised tools for obtaining influence and supporting and implementing Soviet interests. They in turn operate a worldwide network of subordinate organizations, front-of-front organizations and cover organizations for the purpose of spreading their propaganda to all relevent democratic target groups.

  As a rule, there is a front organization "responsible" for almost any vocation and social class:

  - Trade unionists
    "World Federation of Trade Unions" (WFTU) headquartered in Prague

  - Youth
    "World Federation of Democratic Youth" (WFDY) headquartered in Budapest

  - Students
    "International Union of Students" (IUS) headquartered in Prague

  - Women
    "Women's International Democratic Federation" (WIDF) headquartered in East Berlin

- <u>Members of religious communities</u>
  "Christian Peace Conference" (CPC) headquartered in Prague

  and

  "Berlin Conference of European Catholics" (BC) headquartered in East Berlin
- <u>Pacifists, neutralists, ecologists</u>
  "World Peace Council" (WPC) headquartered in Helsinki
- <u>Scientists</u>
  "World Federation of Scientific Workers" (WFSW) headquartered in London

  and

  "International Institute for Peace" (IIP) headquartered in Vienna
- <u>Lawyers</u>
  "International Association of Democratic Lawyers" (IADL) headquartered in Brussels
- <u>Journalists</u>
  International Organization of Journalists (IOJ) headquartered in Prague
- <u>Medical doctors and other major opinion-forming professions and/or vocational "peace initiatives"</u>
  WPC and WFSW
- <u>Third World</u>
  "Afro-Asian Peoples' Solidarity Organization" (AAPSO) headquartered in Cairo
  (AAPSO is the most important and active front organization throughout the Third World area.)

II. Aims and Methods of the Front Organizations

As part of their instrumental function for the Soviet influence-gaining strategy, the communist front organizations concentrate on five discernible conceptional and tactical objectives:

1. Exerting of psychopolitical influence on the masses, i.e., the public in the West and Third World with the immediate aims of
   - shaping the political opinion-forming process in a specific way,
   - mobilizing support,
   - changing (political) stances.

2. Cooperation with non-communist organizations and individuals for consolidation and expansion of the Soviet range of influence and action with the intention of
   - breaking down aloofness,
   - mollifying threat perceptions,
   - achieving socio-political acceptance,
   - generating broad public pressure on the respective governments.

3. The organization of initiatives and campaigns, but particularly the preparation of major international events of the front organizations will be in the hands of "nonpartisan" preparatory committees with a "neutral" appearance (such as so-called front-of-front organizations) which are more effective in recruiting and approaching others because of their disguise. The (first) front is followed by more and more new fronts so that nobody knows the actual initiator and organizer.

4. Systematic use and occupation of political semanticism, i.e., involvement in the "war of words" since words form and carry political ideas (introduction and popularization of words with a clearly communist connotation by equation: Peace = socialism, antifascist = democratic, imperialist = American).

5. Self-portrayal of the front organizations as a representative public, as a "forum of the world public" which, as a non-governmental sounding board, merely prepares, supports and implements the "positive resolutions" adopted by the UN and its agencies.

   - "Consultative" and/or "advisory status" as a Nongovernmental Organization (NGO) with the UN organizations, which is supposed to enhance their prestige and make it easier to achieve socio-political acceptance (this status implies the right to be heard as to subjects propagated by them)
   - Holding of an NGO forum parallel with an intergovernmental UN conference for reasons of propaganda
   - Initiatives for the proclamation of so-called "action years" ("Women's Decade", "Year of the Youth", "Year of Peace", etc.) so as to direct and concentrate propaganda activities on up-to-date topics.

III. Agitation Subjects and Campaign Priorities in 1985

1. In 1985, the international activities of the front organizations focused on the following thematic complexes and individual subjects:

   - Disarmament/peace/security
     (particularly fight against the "militarization of space" through the U.S. SDI research program)
   - Establishing of "peace zones"
     (such as chemical and nuclear-free zone in Europe, in the Indian Ocean and in the Pacific area)
   - Demand for a "new international economic order"
   - Connection between (capitalist) arms buildup, economic development and unemployment
   - Struggle against so-called "information imperialism" and for a new "international information order"
   - "Foreign debts" of the Third World countries
   - Activities of the multinational concerns (anti-monopolism)
   - Propagation and intensification of a "dialogue between Christians and Marxists"
   - Antifascism and anti-revanchism (40th anniversary of the end of WW II).

   The large-scale propaganda and agitation campaigns on these thematic highlights were initiated and planned by the "International Department" of the CPSU Central Committee (headed until the 27th Party Congress by Boris Ponomarov). With a special sector ("international social organizations") within their functional area of responsibility, the "International Department" exercises worldwide operational control over all communist front organizations and their activities and grants them support for months and years.

- 10

2. The overriding subject which was taken up in ever new variations and propagated worldwide by the front organizations in 1985 has been the fight against the "militarization of space" through the American SDI research program. This new highlight of agitation in the communist "peace struggle" was established in the fall of 1984 (definitely laid down at a meeting in Prague in early December 1984) when the demand for a ban of the "militarization of space" replaced the call for a deployment stop and dismantling of U.S. medium-range weapons in Western Europe as a propaganda subject of perspective significance for Moscow's foreign policy. Since then, this slogan has undoubtedly been in the center of the action programs and activities of all front organizations. To bring down SDI is the firm intention of the Soviet foreign and security policy.

   In early 1985, the most important and active communist front organization, the "World Peace Council" (WPC) took charge of the necessary coordination and synchronization of the anti-SDI activities of the various front organizations. The agitation models developed by the WPC were used and intensified by the other front organizations for reaching their target areas and groups. As with the campaign against NATO's talk-and-deploy decision, the WPC propaganda in 1985 was backed by "expert organizations" and consolidated by scientific support in a way appealing to the public: Together with two other front organizations with a neutral image, the "World Federation of Scientific Workers" and the Vienna "International Institute for Peace" and a cover organization of the WPC, the "International Liaison Forum of the Peace Forces", the WPC organized internal events in attempts to establish contacts also with those international organizations, vocational groups and social classes which have no intention of joining the WPC.

3. In 1985, the international communist front organizations, their national agencies and the Soviet organizations keeping control over them employed differentiated influence-wielding and mobilization variants:

   a. Some professional groups with a high social and functional prestige such as medical doctors, scientists, pedagogues, psychologists, lawyers, writers, artists and athletes are called upon to attend national and international expert meetings and congresses and are to achieve a broad impact on the population by specific "initiatives" and "appeals". Such "vocational peace initiatives" helped the front organizations and their regional and national member organizations in 1985 to establish a new "combat type of the peace movement". For instance in the FR Germany, the "Krefeld Initiative", now called the "Krefeld Group", has been in charge of this as parent organization since January 1984. Two typical examples from 1985 illustrate this new influence-wielding variant: The international and, in many countries national, campaigns under the motto "Physicians warn of nuclear war" of the "International Physicians for the Prevention of a Nuclear War" (IPPNW) (Peace Nobel Prize laureates in 1985) and the appeal by scientists "We warn of the Strategic Defense Initiative". The IPPNW is no communist front organization, but is clearly involved in front-of-front activities of identified front organizations and its programmatic statements are obviously in line with WFSW and WPC arguments. The WPC action programs for 1985 and 1986 mince no words about support of and cooperation with the IPPNW and, via the Standing Commission "Scientists and Physicians", the WPC has signaled its special interest in cooperation with the physicians' organization.

   The large number of appeals by scientists against SDI are systematically exploited by the front organizations and their national partner organizations as an "alliance initiative". These appeals are intended to continue already existing initiatives on a mass basis and mobilize major opinion-forming persons for the popularization of Soviet positions.

b. A "scientific offensive" as part of the worldwide anti-SDI campaign of the Soviet Union and the front organizations is aimed for the first time at scientific target groups in the West, which are considered to be sensitive and particularly relevant in the opinion-forming process. This opens the way for the Soviet propaganda apparat to obtain indirect influence on scientific research and opinion-forming individuals with a high functional and social prestige. In Soviet propaganda strategy, a differentiated target group approach is apparently designed to "replace" the much smaller emotional mobilization potential of the more or less abstract SDI issue. It is directed more strongly toward selected opinion-forming personalities.

The force behind this new development offensive by Moscow is the Soviet "Scientific Council for Research Into Problems of Peace and Disarmament" which was founded in 1979 and whose higher-level members have personnel/functional involvements with the communist front organizations. Almost all major "Western researchers" of the USSR are members. Differentiated target group activity and "scientific offensive" are noticeable symptoms of the new quality and professionalism of Soviet Western propaganda under Gorbachev also in early 1986.

c. Systematic exploitation of "contradictions in capitalism" on three parallel levels is a new element of the Soviet influence-wielding policy and its international tools. Moscow is seen to make much less use of the noticeably waning West European peace and protest movement and tries more and more to exploit differences in alliance, parliamentary and party politics. While Soviet propaganda emphasizes on the West European - American level Europe's special role ("our common house") and underscores the "unnatural presence" of the United States in this region, Soviet policy employs on the inner - Western European level a strategy of isolating and "punishing" the FR Germany for its key part in the INF deployment, accompanied by massive warnings of "complicity" in SDI.

On the <u>domestic-national</u> level finally, Moscow attempts systematically to exploit the different parliamentary and party-political interests and views (mainly as to SDI) by taking sides unilaterally. It enhances doubts and opposition as to SDI in major target groups of all camps and presents far-reaching disarmament proposals in a way appealing to the public (because of their moral attractiveness and acceptance). For the Soviets, a welcome side effect of the almost total occupation of the security-policy debate by the subject of SDI is no doubt that <u>other</u> aspects of the military threat to Western Europe are pushed too far into the background.

In 1985, too, agitation and propaganda of the front organizations and their Soviet control bodies were aimed at

- making Western Europe even more aware of its vulnerability,
- increasing doubts about the credibility of NATO's "flexible response" strategy,
- making constant references to a possible "nuclear inferno" in the wake of the Western (re-)deployment program and
- establishing the broadest possible action alliance, a "worldwide coalition of common sense and realism", against the "militarization of space". In this context, the new CPSU program diagnoses an "upswing of the democratic mass movements in the non-socialist world" which would be directed "objectively against the policy of the reactionary cliques of imperialis".

IV. Geographic Action and Propaganda Emphasis in 1985

Besides Western Europe, Africa, South and Southeast Asia and particularly Latin America were the favorite regions for activities of the international communist front organizations. Of note was in 1985 the large number of events in Latin America. The clear shift of interests of major front organizations to this region was underscored by two circumstances:

For one, by the conspicuously great concern of the WFTU, the IOJ and the WIDF for Central and South America and the Caribbean area and, secondly, by the major significance of Latin America in the coverage of coordination and round-table talks by the journal "Problems of Peace and Socialism" (the chief ideological organ of the international communist movement published in 40 languages). At the symposia organized by the editorial staff of this journal - in 1984, for instance, "on the vanguard role of the working class in Latin Marica" - opinions are exchanged. Their other purpose is ideological coordination and control.

In 1985, too, the WFTU no doubt sought unity of action with non-communist trade unions of the hemisphere and concentrated its agitation even more on the connection between (imperialist) arms buildup and the foreign debts of the Latin American countries. A major argument in this strategy is the systematic and comprehensive "popularization" of "Cuba's success story" as an alternative to the situation in the noncommunist countries of the subcontinent. Since the revolution of 1959, Cuba has developed into a Soviet ally which has not only opened the door for the Soviets to the strategic "backyard" of the United States, but also serves Moscow as a platform for the stabilization and support of revolutionary regimes and as a catalyst for the restructuring of inter-American relations. The "Departamento America" of the Central Committee of the Cuban communist party coordinates all types of information and actions in Latin America. Probably subordinate to it is a "bureau" in the Cuban embassy in Mexico, which controls Cuba's influence in El Salvador Guatemala, Colombia, Ecuador and Peru. On its territory, Cuba

operates over 20 guerrilla training camps where some 10,000 Latin Americans have received instructions so far. Latin America is, as Soviet sources confirm, the "soft underbelly" of the United States and it ranks high in Soviet foreign policy. The Cuban communist party is by far the most powerful CP in the region. Apart from Cuba and Nicaragua, Argentina, Brazil and Mexico as the most important countries of the subcontinent in terms of size of territory, number of population and economic muscle are the focus of the Soviet Latin America policy. The "Permanent Congress for Trade Union Unity of Latin American Workers" (CPUSTAL) in Mexico is a powerful and active regional organization of the WFTU. Its main propaganda targets are the foreign debts of the Latin American countries and the lopsided trade relations forced upon them by U.S. imperialism.

The IOJ, too, stepped up its activities in Latin America in 1985. Through the media, it tries to influence public opinion in the region in a way conducive to Soviet intentions. This front organization, too, has a strong bridgehead in Latin America. It is the "Latin American Federation of Journalists" (FELAP) which serves as an IOJ regional organization.

Finally, there is also a Cuban-controlled typical Soviet cover organization which was set up in 1982 on the initiative of another communist front organization, the WIDF: The "Continental Front of Women Against Interventions in Central America and the Caribbean Area" organized an international meeting in Havana in early June 1985. This organization has close ties with the "Federation of Cuban Women" and the WIDF regional center in Havana which has been there since 1978 and is supported by the Castro regime. The "Continental Front" aims at expanding the WIDF working basis in Latin America and tries to establish unity of action with noncommunist women's organizations at national and regional levels.

Together with the WPC, the WFTU stepped up its activities also in the South and Southeast Asian countries in 1985. While the WPC tries to bring about a union of all peace and anti-war movements in the Asian area and supports resurfaced foreign-

policy objectives of Moscow with the project of a "Conference for Peace and Security in Asia and in the Pacific Area", the WFTU intensified its efforts for unity of action with noncommunist trade unions in Asia. It concentrates its endeavors on a coordination of its trade union activities and the formation of a communist controlled regional organization. Its propaganda actions on this continent centered also in 1985 on the demand for stepped-up mobilization and integration of the Asian trade unions into the disarmament and peace campaign of the WFTU and its Soviet wirepullers. Discussions on the subjects of "peace, development and national liberation" were advanced by the WPC in Africa with the intention of widening its political influence in "anti-imperialist warfare". After years of abortive efforts by the WPC to establish its own regional movements in Africa and Asia, AAPSO set up in 1957 today serves as a regional organization of the WPC. By its formation, the USSR succeeded in attaining a large union of all national-revolutionary organizations in Africa and Asia. Operating from Cairo, AAPSO continues to be the most important and active communist front organization throughout the Third World area. In 1985, too, it exerted systematic influence on the large number of anti-apartheid and solidarity organizations in Africa and gave new impulses to the current South Africa campaign of the communist front organizations.
At international get-togethers under the motto of "solidarity with the people of South Africa", AAPSO coordinated, together with the "African National Congress" (ANC) banned in South Africa, the current and future communist activities against South Africa. A particular highlight of the AAPSO action program is the expansion of the training programs for journalists from the Afro-Asian countries in cooperation with the IOJ which makes available its schools in East Berlin, Prague, Budapest, Sofia, Havana, Baghdad and Pyongyang for courses and systematic training of journalist cadres. This goes hand in hand with the extension of publishing activity of the AAPSO, which is making preparations for the publication of its own political journal.
In 1985, too, the IOJ sought to influence the important opinion-forming target group of journalists - mainly in the so-called "frontline states" of Africa - along the lines of Soviet political concepts.

Special attention was devoted by Moscow and its international propaganda agencies also in 1985 to the communist parties of the <u>Arab countries</u> as well as the Arab youth and student movement. At a number of international events, the WFTU systematically attempted to establish contacts with trade unions of the oil-producing countries and integrate them into its campaign "oil as a weapon in the fight against imperialism". From an international symposium held in Damascus in late March 1985 at the initiative of the "Center for Socialist Research and Studies in the Arab World" active since 1983 (with Soviet and East German representatives, the Syrian Baath Party as well as delegates of national liberation movements attending) emerged a coordinating committee of the "Progressive Parties and Organizations of Arab Countries". Representatives of a number of communist parties and progressive organizations of the Arab region are members of this amalgamation set up in 1985. There are close working contacts between the Permanent Secretariat of these groupings also formed in 1985, its coordinating committee and the "Center for Socialist Research and Studies in the Arab World". Moreover, all three permanent institutions together form an effective communist control network and a major pro-Soviet system for gaining influence in the Middle East. The journal "Al Nahdj" published by the "center" is the Arab pendant of the chief ideological organ of the international communist movement "Problems of Peace and Socialism" and, like this periodical, has taken on coordinating and controlling tasks - in its case for the Arab area. At symposia, uniform guidelines for a common strategy and tactics of the Arab communist parties are to be worked out and laid down as binding. The seat of the "center" and the place of printing of the journal are probably in Cyprus, which is an appropriate choice because of its geostrategic and political significance and as the probable meeting place of the Arab communist parties' secret get-togethers. Cyprus will develop more and more into the hub of increasing activities of the communist front organizations and their Soviet control agencies throughout the eastern Mediterranean area and the adjoining regions.

V. Major Events of the Front Organizations in 1985

From the multitude of agitprop events which were either staged and/or initiated by communist front organizations in 1985 or in which they were involved on a major scale, four meetings of political relevance are sticking out:

- The 6th All-Christian Peace Assembly which took place on the initiative of the Christian Peace Conference in Prague in early July 1985 and in which some 800 delegates, guests and observers from all continents took part;
- Forum-85 organized by female representatives of NGOs which was staged in Nairobi in mid-July 1985 at the same time as the UN's World Conference of Women attended by 13,000 female participants;
- The "12th World Youth and Student Festival" in Moscow in late July 1985 (attendance: Some 100,000);
- The constituting congress of the "International Organization of Miners' Trade Unions" held near Paris in late September 1985 with participants from 33 countries. (Arthur Scargill, the chief of the marxist-oriented British National Union of Miners was elected chairman of this WFTU cover organization.) This organization was founded at Soviet initiative and after years of preparations.

1. The 6th All-Christian Peace Assembly (ACPA)

The ACPA is the highest decision-making body of the Christian Peace Conference (CPC) which was founded by pro-regime protestant and orthodox church leaders, most of them members of the Czechoslovak peace council, as WPC cover organization in 1958. Operating from Prague, the CPC is a major Soviet tool for making Christian groups see eye to eye with Moscow's foreign-policy concepts. It has regional and continental committees in 85 countries (for instance, in Asia, Africa and Latin America). The choice and interpretation of the subjects discussed at the Prague meeting again underlined the role of the CPC as a worldwide mouthpiece of Soviet peace

and disarmament perceptions. In the five working groups and in the final appeal, the demand was raised that the CPC, the Ecumenical Council of Churches and the Roman-Catholic Church should launch a common initiative against American plans for a "militarization of space". As usual, the working groups discussed subjects such as "peaceful coexistence", "liberation theology" and "militarization of the Third World". The CPC has lately been concentrating its efforts particularly on the developing countries and their religions. A major target group of the front organizations in 1985 was also the "World Church Council" (WCC) which is exposed to massive Soviet pressure owing to the nominally very large representation of the Russian-Orthodox Church alone.

The CPC practices particularly close cooperation not only with the WPC and the "Berlin Conference of European Catholics" (BC) - which, following the model of the CPC, closes a gap in the Catholic sector as a communist front organization - but also with the "Russian-Orthodox Church" which is among the co-founders of the CPC. It is not by accident that Moscow's Patriarch Pimen, the chairman of the Holy Synod of the church, is a board member of the Soviet peace committee, which is the member organization of the WPC with the largest following. The Russian-Orthodox Church de facto supports the interests of the Soviet Union and is an instrument of Soviet propaganda and agitation. Externally, it clearly backs the official positions of Soviet policies. Its main task is to make propaganda for Soviet objectives and interests among usually religious institutions and groups in the West, the Third World as well as in the World Church Council, which are not too keen to take up marxist or communist ideas. In charge of all open or covert foreign activities of the Russian-Orthodox Church is the "office for external church relations of the Moscow Patriarchate". The latter publishes a "Journal of the Moscow Patriarchate", which brought over 2500 articles on peace subjects in the last four decades, and operates a communication department. Its head, Archbishop Pitirim of Volokolamsk, has been a frequent guest at peace congresses, colloquies and theological discussions in the FR Germany.

On 19 September 1983, a "commission for ties with religious groups" working for peace was set up on the level of the Soviet Peace Committee. In the words of Archbishop Pitirim, the commission is "to coordinate the peace-advancing activity of the churches and religious communities in the Soviet Union and to look for new and better forms for effectively serving peace".

2. <u>NGO Forum-85 in Nairobi</u>

Communist front organizations, particularly the WIDF, were largely involved in initiating and shaping this event in Nairobi preceding and running parallel to the official UN women's conference in the same city. Running parallel to a propaganda-generating UN conference, the NGO Forum was the "nongovernmental" sounding board for the UN resolutions as planned by the six attending front organizations. The latter could again provide a picture of themselves as a "forum of the world public" which merely supports and implements the "positive resolutions" adopted by the UN. The presence and influence-generating strategy of the communist front organizations acting as NGOs in the international arena underscored their high esteem of the <u>nongovernmental field of agitation</u> and the major role of the NGOs in the Soviet communist global strategy:
In Moscow's intention, the front organizations (as <u>government-backed</u> "nongovernmental organizations") are to expand their position among the other, genuine NGOs, thereby improving the chances of cooperation and discovering publicity-producing subjects of political agitation which coincide with Soviet interests.

The practice of exerting influence, control and manipulation of the communist front organizations participating in the Forum-85 in Nairobi demonstrated not only the perfect unity of action among them, but also showed how the excellently trained and superior Soviet delegates dominated and manipulated the other participants. The NGO Forum removed the

last perhaps still lingering doubts about a possibly "only" general control of the communist front organizations by their Soviet directing agencies: Influence, control and spokesmanship were total in all phases of this event.

3. The 12th Communist World Youth Festival in Moscow

The twelfth worldwide get-together of some 100,000 young communist fellow travellers was staged in a "besieged" Soviet capital. It was turned by the organizers into a "KGB festival" and a "police event" in the true sense of the word. Although the festival in Moscow quite obviously ran counter to the political intentions and interests of the Soviet organizers and their fear of "infection" with other ideas dominated all organizational measures and psychological reactions, the Moscow propaganda strategists apparently did not give up the festival idea as such. Too large is obviously the expectation and too tempting the prospect of future opportunities for addressing the "youth of the world" at such a mass rally and sensitizing them for Soviet objectives - the negative image this has given "real socialism" in Moscow notwithstanding.

The two chief organizers of the 12th World Youth Festival, the WFDY and the IUS "responsible" for the target groups of youth and students, sent delegations to North Korea in early 1986, which succeeded in persuading this country to stage the 13th World Youth Festival in Pyongyang in 1989. This means that this communist mass rally will probably take place almost completely screned from the world public. The long period for preparing this event will be needed because of the lack of organizational infrastructure in the North Korean capital and its little experience as an international conference site for mass rallies of this size.

4. <u>The Constituting Congress for the "International Organization of Miners' Trade Unions" in late September 1985</u>

The formation of a cover organization in Montvenil/Paris (the headquarters of the French communist trade union federation CGT) on 21/22 September 1985 brought the WFTU a step closer to its perpetual aim of spreading its influence to West European trade unions. After years of preparations and at Soviet initiative, the chairman of the British marxist-oriented National Union of Miners, Arthur Scargill, and the trade union secretary of the Mining TUI (of the WFTU), Alain Simon, proclaimed the formation of the "International Organization of Miner's Trade Unions" (OIM/IOM). The executive body headed by the marxist Scargill is made up exclusively of communists (one of the two vice presidents is the boss of the Soviet miners, Mikhail Srebny, and secretary general is Alain Simon).

At international meetings for the discussion of peace and disarmament subjects, the new union intends to remove existing opposition of noncommunist miners' trade unions to taking up contacts with the new organization. The Soviet Union and the "Soviet-controlled WFTU" see this organization as a new opportunity for establishing more contacts with trade unions of <u>different</u> political views, without any of them having to expose themselves as the actual initiating and controlling bodies. This is a "classic" method of communist front organizations where the (first) front is followed by more and more new fronts. This tactics makes it increasingly difficult for those addressed to make out the actual organizer behind all these façades. The events leading to the constitution of this new miners' organization were again almost exemplary of this typical agitation strategy.

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01 October 1986

SUPPLEMENTARY REPORT ON INTERNATIONAL COMMUNISM

TgbNr.: 1087/86 VSV

Subject: Activities of Soviet-Controlled International Front Organizations Nos 08 and 09/86

Period Covered: 01 August until 30 September 1986

Summary: See Table of Contents and General

C O N T E N T S

a) New or Changed Dates
b) Unchanged Dates

I. General

In the spectrum of activities of the international communist controlled front organizations, no new tendencies were noted. Once again, disarmament was the main subject of agitation focusing in particular on Moscow's decision, announced on 18 August, to prolong its unilateral moratorium for nuclear tests once more until 1 January 1987.

The "Week of Solidarity with the Antiimperialist Struggle of the Peoples of Latin America", taking place in early September, was used by some front organizations for stepping up propaganda activity aimed at Latin America.

Besides, particular attention is drawn to Moscow's and/or Soviet-controlled front organizations' efforts to involve specific professional target groups in the West more effectively in the Soviet overall spectrum of Soviet disarmament concepts. Pedagogues and psychologists, for instance, feature prominently on Moscow's strategic list. At the first congress of "European Psychologists for Peace", an organizational framework for the social group of psychologists was established, the international committee of "Psychologists for Peace and Nuclear Disarmament". An international conference on the participation of pedagogues in the "struggle for peace" had the purpose of expanding contacts and coordinating activities more effectively. Interesting to note are also efforts for involving the particularly significant opinion-forming groups of authors more strongly in the present disarmament campaign. On the initiative of Lyubomir LECHEV, vice president of the "World Peace Council" (WPC) and chairman of the Bulgarian authors'association, an international authors' meeting which will have the motto "Peace - Hope for the World" will be held in Sofia in October 1986.

The work of the "World Federation of Scientific Workers" (WFSW) particularly aims at young people. The WFSW expects to broaden its action basis with the help of the "Permanent International Commission of Young Scientists" which was set up for the purpose of influencing more effectively young scientists within the framework of the peace and disarmament campaign at the WFSW general assembly. According to information available here, the WFSW and/or the Soviet Union intends to convene a world forum under the motto "Responsibility of Young Scientists for Peace and Social Progress" which will be prepared and planned by the newly set-up WFSW body.

Worth mentioning are the recently observed stepped-up actions of solidarity with Korea. On the initiative of the "International Liaison Committee for the Independent and Peaceful Unification of Korea" (ILCIPUK), an international conference under the motto "For the elimination of nuclear weapons and for peace on the Korean Peninsula" was held in Pyongyang. The ILCIPUK, which is operating from Paris, is the most important communist institution dealing exclusively with Korea. It sees its main task above all in familiarizing a broad public with and/or influencing public

opinion along communist concepts.

II. Events and Activities

Worldwide

Activities of the Women's International Democratic Federation (WIDF) (1)

WIDF's action program currently centers above all on activities within the framework of further preparations for the "Women's World Congress" which will be held under the motto "Forward to the year 2000 without nuclear arms! For peace, equal rights, development" in Moscow in June 1987. WIDF also intends to use this congress to reorganize and expand its relations with the worldwide women's movement.

Particular attention is drawn to the WIDF's decision to hold a series of regional meetings where an extensive set of proposals for future activities, with a specific view to further preparations for the world congress, is to be discussed. On WIDF's initiative, a seminar for Asian women's organizations is to take place in Tashkent/Soviet Union in October 1986. A meeting of the women of Latin America is scheduled to be held in Managua in November 1986 and a European women's meeting is also to take place in November 1986, in Sheffield, Great Britain. A conference of solidarity with the women of South Africa and Namibia scheduled to be held in London in January 1987 will also serve the purpose of preparing the congress.

It is expected that according to the often-adopted tactics of employing Soviet-controlled front organizations, further preparations for the congress will be entrusted to an international preparatory committee acting under a "neutral" guise.

WIDF, which is operating from East Berlin, is one of the most important front organizations and features prominently in Moscow's strategic line. Among other things, WIDF sees its tasks in mobilizing and influencing noncommunist women's organizations along Soviet disarmament lines. The Soviet claim to control in WIDF the political, ideological and operational affairs is realized through the Soviet member organization and the "international department" (ID) of the Central Committee of the CPSU.

Special subjects of agitation which are to be seen in connection with stepped-up preparations for the congress are for instance:
- "Prevention of the militarizing of space" by the United States
- Soviet proposals for a step-by-step elimination of nuclear arms by the year 2000 and
- banning of all nuclear arms tests.

International Conference on the Participation of Pedagogues in the Struggle for Peace

On the initiative of the organizations "Teachers for Peace", a first international conference on the participation of pedagogues in the "struggle for peace" was held in Copenhagen from 6 until 9 August 1986. It was attended by some 200 representatives from the educational systems of Europe, the United States and Australia. The communist-controlled "International Federation of Teachers' Unions (FISE) (2) had a decisive share in the initiating, planning and holding of the event. For tactical reasons, however, it operated only on a equal basis with other organizations.

The purpose of the conference was not only propaganda and agitation but also to expand its contacts and thus to involve important opinion-forming groups of persons more strongly in the worldwide disarmament campaign of FISE and/or the World Federation of Trade Unions (WFTU). The conference was organized by an international preparatory committee which included, in addition to FISE, representatives from the movement "Teachers for Peace" of the nordic countries and the Federal Republic of Germany. The movement "Teachers for Peace" was set up by the FISE's administrative committee and was modelled on "International Physicians for the Prevention of Nuclear War" (IPPNW). Within the framework of these activities, the FISE cooperates closely with the TUI in whose directing bodies it is represented and from which it receives political mottos.

The participants agreed on a better coordination of their activities which is to bring about more extensive international cooperation and unity of action of representatives of the education system within the framework of "Teachers for Peace". A second international conference on the participation of pedagogues in the struggle for peace is to be held in the Federal Republic of Germany in 1988.

Within the framework of the disarmament campaign, FISE agitation particularly focused on the demands
- for revising history books and curricula critically and objectively
- for including in classes, in particular in biology classes, the consequences of a potential nuclear war on living beings,
- for pointing out the material aftermath of past wars and of the atomic bombs dropped on the cities of Hiroshima and Nagasaki and its effects on people.

Moreover, the FISE will continue its campaign "Millions of Signatures for Peace" among personnel in the education system and in science and undertake joint initiatives with children's and adolsecents' organizations in different countries.

Results of the General Assembly of the World Federation of Scientific Workers (WFSW) (3)

As already mentioned, the 14th General Assembly of the WFSW took place in Moscow on 24/25 July 1986, attended by delegates from 28 countries. It was organized by the trade union of workers in the field of national education, the universities and the scientific institutions of the Soviet Union.

The new action program adopted does not reveal any changes as to the basic tendency of WFSW activities or a shift in priorities. Special emphasis will be placed on WFSW's youth work. The WFSW expects that the "Permanent Committee of Young Scientific Workers" which had been set up at the general assembly for the specific purpose of involving more effectively young scientists in the peace and disarmament campaign, will broaden the basis of youth work. According to information available here, the WFSW and/or the Soviet Union intends to convene a world forum on the theme of "Responsibility of Young Scientific Workers for Peace and Social Progress" which will be prepared and organized by the newly set-up WFSW body.

Moreover, a world forum is to be initiated which is to be held in New Delhi in 1987; the motto will be "Science, Society and Development". Thus, the WFSW realized its intention to hold an international event every year, in addition to the conferences of the directing bodies and to events at a regional level and on specific themes.

Prof. Jean-Marie LEGAY (France) was reelected as president of the WFSW. Stan DAVISON (Great Britain) became general secretary. The general assembly confirmed the WFSW membership of six other organizations and accepted five new corresponding members. Worth mentioning is also the WFSW's intention to offer its publication "Scientific World" in future also in Spanish.

No information is available as yet on the changes of statutes agreed upon, which above all will permit corresponding members to play a more important role and will include new types of affilitations and/or memberships.

At the request of the central committee of the "Science" trade union, the WFSW's 15th General Assembly, taking place in 1989, will be held in the GDR. This trade union will also continue to guarantee the work of the WFSW's Berlin regional center in terms of material and personnel and publish the German edition of the "Scientific World", the WFSW organ. In Moscow, professors Rolf RINKE, Manfred MÜLLER and Klaus ENGELHARD (all from the GDR) have been elected to the WFSW's executive council.

Preparations for the "Sixth International Antimonopolistic

Preparations for the "Sixth International Antimonopolistic Conference of the Trade Unions of Workers of the Petroleum Industry"

According to information available here, the Sixth International Antimonopolistic Conference of the Trade Unions of Workers of the Petroleum Industry, originally to be held in Syria in March 1986, now is to take place in Damascus in November 1986.

Preparations for the conference are organized by the "Permanent Antimonopolistic Action Committee of Petroleum Workers", acting under a neutral guise, which sees its tasks above all in the development of methods to control multinational enterprises in the petroleum industry. Of interest is the campaign "Petroleum as a weapon in the struggle against imperialism" which aims at playing up and capitalizing on nationalist emotions in petroleum-producing countries. The Permanent Action Committee of Petroleum Workers was set up for the purpose of coordinating the actions of the petroleum workers' trade unions at the "Fifth International Antiimperialist Conference of the Trade Unions of Workers of the Petroleum Industry" (Tripoli, March 1980). It is made up of trade unions from 19 countries, including members from the Soviet Union, Cuba, Algeria, Congo, France, India, Iraq, Libya, Kuwait, Nigeria, Romania, Turkey and Venezuela.

Activities of the Afro-Asian Peoples' Solidarity Organization (AAPSO)

According to information available here, AAPSO intends to hold a presidium meeting in Ulan Bator in October 1986 where the guidelines of future activities, in particular questions of stronger involvement of the African and Asian public in the present peace and disarmament campaign of the "World Peace Council" (WPC), are to be discussed. AAPSO, whose work is largely dependent on WPC, is frequently used in the Afro-Asian area to conceal the communist background of actions.

For November 1986, the action program has scheduled a conference of AAPSO's Arab member organizations to be held in Aden where discussions will center on the political, economic and military situation in the Middle East as well as on questions relating to the expansion of AAPSO activity in this region. A meeting of AAPSO's Asian member organizations is planned to be held in Manila later this year.

Among the most important aspects of the work of AAPSO and/or the Afro-Asian Writers Permanent Bureau (AAWPB), which was set up on AAPSO's initiative at the first Afro-Asian writers' conference in Tashkent in 1958, are currently the preparations for a conference of Asian and African writers to be held in New Delhi in 1987. On the initiative of the Soviet liaison committee for Asian and African writers, the Soviet delegations will visit for instance Syria, Egypt and Morocco within the framework of further preparations

for the conference.

Preparations for an International Writers' Meeting Under the Motto "Peace - Hope of the Globe"

It is particularly worth mentioning that Moscow and/or the "World Peace Council" (WPC) continues to be very interested in involving the writers and their associations more strongly in the disarmament campaign of the Soviet-controlled front organizations.

According to information received here, an international writers' meeting under the motto "Peace - Hope of ghe Globe" will be held in Sofia from 28 until 30 October 1986. The event which is intended as a contribution to the UN-proclaimed "International Year of Peace" is organized by Lyubomir LEVCHEV, vice president of the WPC and chairman of the Bulgarian writers' association. So far, about 180 writers from 66 countries have agreed to attend.

In this context it is interesting to note that the Soviet Bloc countries for some years have made an effort to merge this group of persons into a worldwide organization and/or to give an organizational structure to the writers' meetings regularly held in Sofia since 1977. As early as in late 1982, an international committee was set up which, in cooperation with the Bulgarian writers' association, was to prepare the founding of an international association of literary workers.

Within the framework of these activities, the Bulgarian writers' association is cooperating particularly closely with the Soviet writers' association which will be represented at the meeting by a delegation headed by Vladimir KARPOV, First Secretary of the Soviet writers' association and editor-in-chief of the literary magazine "Novy Mir". In addition to Georgi MARKOV, chairman, and KARPOV, the following persons currently are members of the Bureau of the Soviet Writers' Association, which was newly elected in 1986: Juri BONDAREV, Grigori BAKLANOV, Alexander GONCHAR, Sergej SALINGYN, Tchingi AITMATOV and Valsil BYKOV.

Attention is drawn to the fact that for the first time a delegation of Chinese writers will be represented in Sofia.

Activities of the "TUI of Textile, Clothing, Leather and Fur Workers (4)

According to information available here, the TUI intends to convene a meeting of the administrative committee in Prague from 14 until 16 October 1986 to discuss the essential features of the 1987 action program as well as organizational issues. Moreover, the consultations will focus on the preparations for the 8th International Occupational Conference of the TUI, planned for May 1987.

As part of the campaign against multinational companies, the TUI plans to expand its activities in the Third World. The most important aspect of the work continues to be the setting-up of job-related "International Coordinating Commissions" in which trade union representatives (mostly members of the respective CPs) of different subsidiaries of multinational companies are joined together. In the Third World, the TUIs cooperate particularly closely with the Latin American Confederation of Textile, Clothing and Leather Workers (CLATEXC), the Arab federation of Textile Workers and the Organization for African Trade Union Unity (OATUU).

At present, the TUI's overriding objective is the expansion of cooperation with non-communist trade union organizations as part of the disarmament campaign of the "World Federation of Trade Unions" (WFTU). As representatives of a job-orientated influence-exerting offensive within the WFTU's worldwide disarmament drive, the role played by the WFTU's eleven TUIs is not to be underestimated. For the purpose of coordinating the relevant activities within the framework of the WFTU's disarmament campaign, a working group within the TUI deals with the problems of peace and the socio-economic aspects of disarmament. It is headed by the secretary general of the Trade Union of Workers in the Leather and Rubber Industry of Finland, Kaalevi URPELAINEN, and includes trade union representatives from Austria, France, Lebanon, the GDR and the Soviet Union.

Eleventh World Trade Union Congress

The 11th World Trade Union Congress, which was attended by 1014 delegates and guests from over 430 organizations from about 150 countries, took place in East Berlin from 16 until 22 September 1986.

Four commissions discussed the following subjects:
- Peace, disarmament and detente;
- Economic and social problems;
- Rights and liberties of trade unions;
- Main document.

Sandor GASPAR (Hungary) was re-elected as president of the WFTU and Ibrahim ZAKARIA (Sudan) as secretary general. Vice-presidents elected: Andreas ZIARTIDES (Cyprus), Karel Hoffmann (Czechoslovakia), Henri KRASUCKI (FRANCE), Stepan SHALAYEV (Soviet Union), Romain VILON GUEZO (Benin), Tadesse TAMIRAT (Ethiopia), Elias EL HABR (Lebanon), Izzidin NASSER (Syria), Indrajit GUPTA (India), Bat-otschiryn LOWSANTSEREN (Mongolia), Robert VEIGA (Cuba) and Valentin PACHO (Peru). The WFTU's General Council consists of 105 full members and an equal number of deputies from 92 member organizations, two associated organizations and eleven international associations of the trade unions (TUIs). The WFTU bureau is made up of 40 full and 37 deputy members.

Confirmed as WFTU secretaries were: Debkumar GANGULI (India), Ernesto ARANEDA (CHILE), Jan NEMOUDRY (Poland), Marie FRYBORTOVA (Czechoslovakia), Vsevolod MOSHAYEV (Soviet Union), Sigfried

KATSCHMAN (GDR, Alain STERN (France).

On the specific results of the consultations, in particular on the action program that has been prepared, no information is available as yet.

E u r o p e

Congress of "European Psychologists for Peace"

Information has been received here that the first congress of "European Psychologists for Peace", attended by some 200 scientists from 24 countries as well as from the United States, Australia and Canada, Japan and Costa Rica, was held in Helsinki from 08 until 10 August 1986. The event was organized by the peace committee of Finnish psychologists.

The congress was convened on the initiative of a group of psychologists against nuclear war in the "International Society for Psychology" (IUPSYS) which is coordinated by Prof. Adolf KOSSAKOWSKI (GDR), chairman of the GDR society for Psychology. These activities are part of the efforts by the Soviet Union and/or Soviet-controlled front organizations to involve scientists more effectively in the overall spectrum of Soviet disarmament concepts. No information is available as yet on the contents of the new action program.

The congress ended with setting up an international committeeof "Psychologists for Peace and Nuclear Disarmament". Prof. Adolf KOSSAKOWSKI was elected as chairman of the committee. Thus, an organizational framework comprising the social group of psychologists was created which serves as another representative of worldwide communist peace propaganda. The committee's task will be to find ways and means of influencing the peace movement in the West and of backing psychologists in all countries that are active in the peace movement. The committee is communist-influenced and controlled by direct intervention exercised by groups of psychologists in the Soviet Bloc countries, in particular by the "Society for Psychology in the GDR" set up in 1962.

Training Seminar for Turkish Trade Union Activists

Upon initiative of the World Federation of Trade Union (WFTU) and in cooperation with the communist-controlled French trade union association CGT, a seminar was held in La Petite Pierre, France, which was attended by guest workers from France, Belgium, and the Federal Republic of West Germany. The following items were on the agenda:
- The ideological problem;
- The labor movement in Turkey;
- The economic situation in Europe;
- The strategy of workers and governments;
- The strategy of trade unions;
- Problems of foreign workers.

To our knowledge, the seminar is the first meeting of this type. Its future importance can be seen from the fact that it is to become a permanent institution.

The WFTU and the leading representatives of the communist-influenced Turkish trade union federation, DISK, who are active outside Turkey, are permanently holding consultative meetings. The activities in Western Europe are coordinated by a DISK secretariat in Paries, which, according to an unconfirmed report, is headed by Kemal DAYSAL.

Africa

Activities of the World Federation of Trade Unions (WFTU)

An item important to mention are WFTU's current efforts to strengthen its presence in Africa and expand its political influence there. This aim is to be achieved by increasing cooperation between WFTU and the national trade union centers. Initiated by WFTU and the Higher African Institute for Trade Union Research and Education (HAITURE), an "African Trade Union Conference" took place in Brazzaville in late July 1986, which was attended by trade union representatives from 35 nations. The consultations focused on working out common stances as a basis for joint actions, and on developing bilateral cooperation between WFTU and non-communist trade union organizations as well as the African member centers.

The meeting might also be an indication that WFTU is changing its strategy in Africa or is reacting to the tendency toward a split in the Organization for African Trade Union Unity (OATUU). WFTU obviously does not intend to continue stepping up cooperation with OATUU, but wants to support the "revolutionary process" in Africa more strongly with its own actions again.

The seminar is the first event where HAITURE, created by WFTU and/or the Soviet Union in mid-1985, appeared in public. The task of WFTU's control organ is to propagate Marxist-Leninist theory and the meaning of trade unions in the Marxist-Leninist sense in Africa. Especially by preparing analyses and organizing conferences, seminars, etc., does WFTU intend to make its strategy in Africa more effective. Other focal points of HAITURE's work, in addition to training, are especially research on
- neocolonialism,
- national liberation struggle,
- activities of multinational concerns,
- economic and social questions, and
- the establishment of a new international economic order.

The conference probably led to an upgrading of WFTU. An interesting fact is that WFTU in future intends to concentrate more agitation on the interdependence between the arms buildup and the debts of African nations.

A s i a

Activities of the International Liaison Committee

An international conference under the headline "For the Elimination of Nuclear Weapons and for Peace on the Korean Peninsula" took place in Pyongyang from 06 to 08 September 1986 upon initiative of the International Liaison Committee for the Independent and Peaceful Unification of Korea (ILCIPUK) (5). It was attended by roughly 120 delegations from 80 countries and representatives of 29 international organizations.

The event, so far the largest one conducted by ILCIPUK, was both the end and climax of many years of activities, and the beginning of a new phase of expanded activities or a propaganda offensive based on the following demands:

- Peaceful reunification of the country;
- Establishment of a nuclear-free peace zone on the Korean peninsula;
- Disintegration of all U.S. military bases in South Korea;
- Withdrawal of U.S. troops and weapons;
- Termination of all major military maneuvers of the U.S. and South Korea in that region;
- Resumption and expansion of different forms of dialogue between North and South Korea.

In addition to expanding the movement of solidarity with Korea, ILCIPUK hopes to improve its working conditions worldwide by having expanded its basis with the aid of the major event. Similar events with the same topic and objective are expected to be held in the near future.

ILCIPUK, operating from its base in Paris, is the most important communist organization responsible exclusively for Korea. It sees its main task in making communist conceptions about a reunification of Korea known to large circles in the public and influencing public opinion in that direction. The chairman of ILCIPUK is L. LUZZATTO (Italy).

International Seminar on "Problems of Peace and Cooperation of Youth from Nations in the Pacific Region"

An important objective of the Soviet-controlled front organizations continues to be the expansion of the special campaign for mobilizing and influencing widest circles in Asia and the Pacific region along the lines of Soviet foreign policy. An obvious intensification of corresponding activities has mainly been observed in the World Peace Council (WPC), the World Federation of Trade Unions (WFTU), the World Federation of Democratic Youth (WFDY) and the International Union of Students (IUS).

The international seminars on "Problems of Peace and Cooperation of Youth from Nations in the Pacific Region", regularly held in Nakhodak (USSR), became quite significant in that matter. In addition to fulfilling propagandist aims, the seminar held in Nakhodka in mid-July 1986 was to coordinate future activities.

There was also an exchange of opinions on questions connected with preparations for the 12th General Assembly of WFDY planned to be held in Budapest in November 1986. The seminar was organized by the committee of the Soviet youth organization and the Soviet students' council. The concrete results of the consultations have not become known yet.

WFDY and IUS expect the conference and the implementation of decisions made there to result in an increase of their activities and an intensification of work in that region. A significant result of the meeting is the decision of the conferees to step up cooperation in all areas.

III. Dates of Communist or Communist Controlled International Events

a) New or Changed Dates

Prague 14 - 16 Oct 86	Session of the administrative committee of the International Association of the TUIs of the textile, clothing, leather and fur industry (see this report)
Budapest 21 - 23 Oct 86	Meeting of the administrative committee of the TUIs of Workers in Commerce
Sofia 28 - 30 Oct 86	International Writers' Meeting under the motto "Peace - Hope of the Globe"; organized by Bulgarian Writers Union (see this report)
Ulan Bator October 1986	Presidium meeting of the Afro-Asian Peoples' Solidarity Organization (AAPSO) (see this report)
Tashkent/SU October 1986	Seminar for Asian women's organizations; organized by International Democratic Federation (WIDF) (see this report)
Aden November 1986	Meeting of the Arab member organization of the Afro-Asian Peoples' Solidarity Organization (AAPSO) (see this report)
Damascus November 1986	International Antimonopolistic Conference of the Trade Unions of Workers of the Petroleum Industry; organized by the Permanent Antimonopolistic Action Committee of Petroleum Workers (this report)
Sheffield/ Great Britain	European women's meeting; organized by Women's International Democratic Federation

November 1986	(IDFF) (see this report)
Late 1986	Meeting of the Asian Manila organization of the AAPSO (see this report)
London January 1987	Conference of Solidarity with South African and Namibian women; organized by WIDF (see this report)
? May 1987	8th International Occupational Conference of the TUI of Textile, Clothing, Leather and Fur Industry (see this report)
New Delhi 1987	Conference of Asian and African writers; organized by the Afro-Asian Writers Permanent Bureau (AAWPB) (see this report)
Federal Republic of Germany 1988	2nd International Conference on the Participation of Pedagogues in the Struggle for Peace; organized by "Teachers for Peace" (see this report)
GDR 1989	15th General Assembly of the World Federation of Scientific Workers (WFSW) (see this report)
?	World forum on "Responsibility of Young Scientific Workers for Peace and Social Progress" (WFSW) (see this report)

b) Unchanged Dates

Copenhagen 15 - 19 Oct 86	World Peace Congress; organized by WPC (see also No 7/85)
East Berlin 19 - 24 Oct 86	19th International Occupational Conference of the Trade Unions of the Metal Industry; organized by the TUI of Workers in the Metal and Machine Building Industry (see also Nos 1 and 2/86)
Sofia 20 - 23 Oct 86	10th IOJ Congress (see also Nos 8 and 9/85)
Beienrode/FRG 20 - 23 Oct 86	European-North American Meeting of the Christian Peace Conference (CPC)
Prague November 1986	World students' forum on "Education and Society"; organized by IUS (see also Nos 1 and 2/86, No 12/85)

Moscow November 1986	International conference on "The Lessons of Nuremberg"; organized by the Soviet Organizing Committee (see No 3/86)
Vienna November 1986	Meeting of international committee for European security and cooperation
Budapest November 1986	12th WFDY General Assembly (see also No 11/85)
Kiev/SU 24 - 27 Nov 1986	Presidium meeting of the CPC
Budapest November 1986	7th General Assembly of the International Committee of Children's and Adoloscent's Movements (CIMEA)
Prague November 1986	Consultative Meeting of all FIR member organizations (see also No 7/86)
Managua November 1986	International seminar on the situation in Central America and in particular in Nicaragua; organized by WIDF and IOJ (see also No 7/86)
Vienna 01 - 03 Dec 1986	World Meeting of War Veterans for Disarmament; organized by the Coordinating Committee (see also No 5/85)
Athens December 1986	International Conference of the European and North American Anti-War Movements; organized by the Movement for National Independence, World Peace and Disarmament (KEADEA) (see also No 11/85)
December 1986	Meeting of the administrative committee? of the TUI of the Workers of the Building, Wood and Building Materials Industry (see also No 5/86)
Vienna Fall 1986	Annual meeting of the "International Association for Social Tourism and Leisure of Workers (IASTLW) (see also No 3/86)
?	European Youth Conference on "Life, Work and Training - Young Europeans Standing Side by Side"; organized by the French labor association, CGT (see also No 10/85)
Fall 1986	International meeting on "Disarmament"; organized by ILF

Brussels 1986	International Colloquium on the dangers of an arms race in outer space; organized by IADL (see also No 11/85)
New Delhi 1987	International Symposium on the problems of the efficient employment of science and technology in developing countries; organized by WFSW (see also No 10/85)
1986	International meeting of unemployed youth; organized by an initiative of WFDY (see also Nos 1 and 2/86)
1986	International seminar on the "Role of the Religious Population and its Contribution to the Struggle for Peace"; organized by WPC; (see also Nos 1 and 2/86)
?	Conference by the Journalists of the six front-line nations, Lesotho, Nigeria, ANC and SWAPO on "The Role of Journalists in the Struggle for Peace and Development and against Apartheid and Colonialism in Southern Africa"; organized by IOJ (see also No 12/85)
1986 or 1987	International Conference of Miners and Energy Workers for Peace and Disarmament; organized by the International Organization of Miners (IOM); (see also No 10/85)
Vienna Feb or March 1987	Meeting of the "Delegation of the FIR Bureau"; (see also No 7/86)
Vienna March 1987	Regular general assembly of the International Institute for Peace (IIF)
Athens 11 - 14 May 1987	10th Congress of FIR (see also No 7/86)
East Berlin 19 - 24 Oct 1987	9th International conference of the TUI of the Metal Industry
Moscow June 1987	World Women's Congress; organized by WIDF (see also No 12/85)
Moscow 1987	9th WIDF Congress (see also No 12/85)
November 1987	Congress of the International Union of Students (IUS)
1987	Consultative meeting by the chairmen? of the European member organizations of the TUI of Workers in the Metal Industry;

	(see also Nos 1 and 2/86)
1988	7th International Occupational Conference of the TUI of Public and Allied Employees (see also no 6/86)
East Berlin February 1988	10th International conference of the TUI of the Workers of the Building, Wood and Building Materials Industry (see also No 5/86)
North Korea 1989	World Festival of Youth and Students; organized by WFDY and IUS
Australia ?	International Conference of the WPC on "Disarmament"
?	Conference of representatives of Christian peace groups of the Baltic area; organized by CPC
?	Meeting of church representatives from the Balkans on the establishing of a nuclear-free zone; organized by CPC
Cuba ?	International seminar on "Influence of the International Committee of Children's and Adolescents' Movements (CIMEA)"; (see also No 7/86)
Cuba ?	International conference on "How we live in our countries"; organized by the International Committee of Children's and Adolescents' Movements (CIMEA); (see also No 7/86)

Footnotes:

(1) Owing to its goals and tasks as well as the personnel makeup of its leadership bodies, the WIDF, which was founded in 1945, is regarded as a typical international communist organization. Its headquarters have been in East Berlin since 1951, after it had to leave its original headquarters in Paris in January 1951 when the French government prohibited any further WIDF actions. At present, the WIDF comprises 136 national women's associations from 118 countries.
The member organizations of WIDF are under the direct control of their headquarters in East Berlin - without any intermediate regional organizations. This basic scheme is complemented by special organizations and commissions.

(2) Communist-controlled FISE (international abbreviation of

Federation Internationale Syndicale de l'Enseignement), headquartered in East Berlin, was incorporated into WFTU as one of the 11 Trade Unions Internationals (TUIs) in July 1946. Its position in WFTU among the other TUIs is special and, for historical reasons and because of the qualifications of its members, more independent of WFTU. FISE is more than a mere federation of labor, since it also acts as a vocational association and is almost as important as other independent communist front organizations. It currently comprises 121 organizations with about 25 million members from 85 nations.

(3) The WFSW, with official seat in London, was founded in July 1946. It currently has regional bureaus in East Berlin, New Delhi and Algiers. Today it comprises 50 member organizations with approximately 500,000 members from 36 countries as well as corresponding members in another 17 countries.
The general assembly, which is held every three years, is the highest organ of the WFSW. Other important organs are the executive council and the bureau as well as the following permanent committees: disarmament committee, socio-economic committee, politico-scientific committee. The WFSW organizes events such as international symposiums and conferences.

(4) The TUI, which has its seat in Prague, currently comprises 71 trade union organizations with approx. 12 million members. President of the TUI is Gilbert MORALES (Colombia) and secretary general is Jan KRIZ (Czechoslovakia).

(5) Secretary general of the Paris-based ILCIPUK is Guy DUPRE. There are indications that ILCIPUK's work is coordinated by the French CP.

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01 April 1986

Supplementary Report on International Communism

TgbNr.: 354/86 VS-V

Subject: Activities of International Soviet-Controlled Front Organizations No 3/86

Period Covered: 01 to 31 March 1986

Summary: See Table of Contents and General

Table of Contents

a) New or Changed Dates
b) Unchanged Dates

I. General

The communist front organizations continued to support the interests and foreign policies of the Soviet Union during the reporting period. As in the previous months, their actions focused on activities related to the disarmament campaign.

While concentrating on the disarmament campaign, the communist front organizations are in no way neglecting their efforts in third world countries. Important in this connection is the further expansion and establishment of regional associations by the communist front organizations. Having built up a network all over the world, the Soviet leadership is now in a position to conduct AGITROP with quickly changing foci.

Also significant are the advanced preparations for the "World Peace Congress" (Copenhagen, 15 to 19 October 1986), in which almost all communist front organizations will be participating. Cooperation of communist front organizations in preparatory work clearly points to central control by Moscow.

The Soviet Union began to prepare an international conference on "The Lessons of Nuremberg" scheduled to be held in Moscow in November 1986. According to Vladimir Kudryavzev, chairman of the Soviet organizing committee and director of the Insitute for National Law of the Soviet Academy of Sciences, the purpose of the conference will be to "warn the instigators of star, nuclear and other wars that today no crime against humanity will go unpunished".

Josef Skala, presidium member of the CC of the Czech Socialist Youth Association (SSM), was made president of the International Union of Students (IUS). Skala's election as IUS president is in line with the tradition of making a Czechoslovakian president and filling the post of secretary general with a person from a Third World country.

Another item that should be mentioned is the intention of the International Liaison Forum of Peace Forces (ILF), a cover organization of the World Peace council (WPC), to hold an international event in the North American region (Toronto, May 1986) for the first time. The consultations will deal with questions of enhancing the integration of the North American public into the current peace and disarmament campaign of the communist front organizations. ILF and WPC furthermore hope to achieve a considerable intensification of cooperation with the different currents of the North American peace movement and expand their activities in that region by establishing direct contacts.

II. Events and Activities

Worldwide

Bureau Meeting of the World Federation of Scientific Workers (WFSW) 1)

Information just received reveals that the WFSW Bureau held a meeting in London in mid-February 1986, at which the most important aims, objectives and directions of WFSW activities in the near future were discussed.

WFSW will continue to focus its work on preparing the world meeting of scientific workers on "Science, Technology and Peace" (Moscow, 21 - 23 July 1986; see also Int. Comm. Nos 1 and 2/86) and the WFSW general assembly (Moscow, 24 - 26 July 1986). Other topics of discussion were organizational questions, especially regarding the improvement of communication within WFSW. An important item is that WFSW in future plans to hold an international major event every year in addition to the meetings of its executive bodies and regional events or conferences on specific topics.

According to information available here, one of the items on the agenda of the WFSW general assembly in Moscow will be the expansion of WFSW membership. In order to win a larger number of scientists for participating in WFSW activities, the general assembly is to change the statutes to the effect that corresponding members play a more important role and new types of affiliation and membership are possible.

WFSW is currently concentrating efforts especially on establishing closer contacts with Non-Aligned countries. For this purpose it is organizing an international symposium scheduled to be held in ndia in late 1986 or early 1987. WFSW considers this a first step toward closer ties.

The predominant aim of WFSW activities continues to be the examination of all scientific-technological and socio-political aspects of the disarmament problem and thus supply other communist front organizations with argumentative assistance as well as win scientists for supporting Soviet policies. Its main advantage for Moscow is that its image gives rise to confidence, leads to cooperation with communists and intentionally exploits Western "devotion to science".

The present raise in WFSW funds is probably the result of additional payments by the Soviet Union and/or other Soviet Bloc nations.

Activities of the "International Liaison Committee of Engineers, Supervisory and Mangerial Staff and Technicians (CLIICT) 2)

The efforts of CLIICT, a cover organization of the World Federation of Trade Unions (WFTU), to attract more attention again by launching concrete actions, deserve special consideration. Especially by feigning commitment to social work, CLIICT tries to achieve unity of action with non-communist organizations of this vocational group. Special importance is attached to cooperation of corresponding organizations at national level.

For that purpose, an international symposium is going to be held in Toulouse, France, on 15/16 April 1986 upon initiative of CLIICT. The main purpose of holding the symposium is to expand CLIICT activities. Among the topics on the agenda are questions of integrating these vocational groups more closely into the current peace and disarmament campaign.

The event is furthermore seen as part of WFTU's efforts to unite the vocational groups concerned worldwide and syndicalize them in the sense of unity of action which WFTU tries to achieve. CLIICT today actually functions as a Trade Union International (TUI) within the WFTU under special, more independent regulations and without that designation.

Soviet Preparation of an International Conference on "The Lessons of Nuremberg"

According to information available to us, the Soviet Union is currently preparing an international conference on "The Lessons of Nuremberg" scheduled to take place in Moscow in November 1986. The organization and further preparation of the event has been delegated to a Soviet organizing committee under Vladimir Kudryavzev, director of the Institute for National Law of the Soviet Academy of Sciences. Neither the topics on the agenda nor the exact date have become known yet.

Conceived as a contribution to the "International Year of Peace", the conference is mainly intended for lawyers and historians. According to Kudryavzev, the main purpose of the conference will be "to warn the instigators of star, nuclear and other wars that crimes against humanity today will no longer go unpunished".

It is assumed here that the conference is based on an initiative of the communist-controlled International Association of Democratic Lawyers (IADL) and that organizational proceedings were transferred to the USSR. A significant fact is that Kudryavzev has been vice president of IADL since the 12th IADL congress (Athens, October 1984).

Activities of the Christian Peace Conference (CPC) 3)

The Executive organs of the CPC convened in Sofia from 03 to 07 March 1986. The meeting was attended by representatives from 36 nations of all continents as well as international and regional Christian peace organizations. The discussions focused on "peace-preserving tasks the Christian peace movement derives from the international situation and especially the latest Soviet proposals". The meeting was chaired by Bishop Dr. Karoly Toth, CPC President.

In a final appeal, the churches of the world were called upon to take action on behalf of the latest disarmament proposal of the Soviet Union. The meeting furthermore adopted an appeal to support initiatives for transforming the Balkan peninsula into a nuclear and chemical-weapons-free zone, as well as statements on the political situation in Latin America, South Africa, Asia and the Middle East.

Prof. Dr. Bernhard Bassarak (CPC Vice President), Prof. Dr. Carl-Juergen Kaltenborn (CPC International Secretary), and Rolf-Dieter Günther (member of the CPC working committee) represented East Germany at the conference in Sofia. The Soviet delegation was headed by the Metropolitan Filaret, chairman of the CPC's continuation committee.

The CPC is continuing with its wide variety of activities noted for years; it is constantly gaining ground especially in the Third World. The activities continue to be directed at infiltrating religious peace movements and influencing churches and religious communities along the lines of Soviet disarmament conceptions. CPC's eagerness to expand its influence in the Third World is demonstrated by the fact that in 1986 regional major events are going to take place in Latin America, Africa and Asia upon initiative of CPC, which will be intended to integrate Christian circles more strongly into the current peace campaign. CPC plays an active role in preparing and staging the World Peace Congress (Copenhagen, 15 to 19 October 1986).

Bureau Meeting of the International Association for Social Tourism and Leisure of Workers (IASTLW)

In early March 1986, IASTLW, a cover organization of the World Federation of Trade Unions, held a Bureau meeting in Sofia, where topics such as IASTLW's contribution to the UN-proclaimed Year of Peace and the role of youth tourism in the "struggle for peace" were discussed. The objective of IASTLW, an organization that the WFTU expressly describes as being non partisan is to establish contacts to and win the cooperation of tourist organizations of trade unions so far rejecting WFTU for political reasons.
The discussions were focused on an analysis of IASTLW's achievements since the last meeting (Moscow, November 1985) and on the

drafting of the 1986 action program.

The adpted action program provides for a further expansion of influence and closer cooperation with tourist organizations of trade unions of other political orientations. The most important result of the consultations was the decision to hold the next annual IASTLW meeting in Vienna in fall 1986.

A significant fact is the increasing attractiveness of Vienna as a staging area of events by organizations subordnate to WFTU.

IASTLW, headquartered oin Prague, emerged in 1982 from the "International Trade Union Committee for Social Tourism and Leisure" (CSITSEL) which had been active as a WFTU institution since 1964. IASTLW and its activities are financed primarily by the WFTU and the national tourist organizations of Soviet-Bloc trade union federations. At presenbt, IASTLW comprises organizations from 22 nations. Its chairman is Jean Fouchet (France).

Activities of the International Federation of Teachers' Unions (FISE) 4)

Information received only now reveals that the international editing commission of FISE's publication, Teachers of the World, held a two-day meeting in Neubrandenburg, East Germany, in late February 1986. It was attended by representatives from Hungary, USSR, East Germany, Burkina Faso, Chile, France, India, Portugal, and the General Association of Palestinian Teachers.

Topics of discussion were
- FISE's ideological work,
- the closer integration of noncommunist teachers'associations into the current disarmament campaign of WFTU, and
- bringing up the young generation in the spirit of peace.

Information on the concrete results of the consultations is not available yet.

FISE's publication is produced in close cooperation with the central board of the East German trade union of education and teaching, whose chairwoman Helga Labs also functions as chairwoman of the editing commission.

Teachers of the World, subtitled "international journal of trade union and pedagogics", is published quarterly in English, French and German.

Chairman Helga Labs, FISE VICE President
Prof. Mrinmoy Bhattacharuua, India
Jean Bila, Burkina Faso
Mohamed Trabelsi, Tunisia
Dr. Magda Kovacs, Hungary
Prof. Dr. Alexander Miroljubov, USSR

'adhil al-Saqi, Iraq
ge Pruvost, France
rto Texier, Chile, currently in Mexico

President of the International Union of Students (IUS) 5)

)sef Skala, a member of the CC of the Czech Socialist youth ssociation's (SSM) presidium, has been made president of the US at a meeting by representatives of the IUS Secretariat and SSM Central Committee on 11 March 1986. Before that, Josef Skala had been named permanent SSM representative with the IUS. The election of Josef Skala as new IUS president is in the tradition of filling that position with a Czechoslovakian and that of secretary general with a person from the Third World. Before becoming president, Skala (born in 1952) was a member of SSM's Central Committee.

Previous IUS President Miraslav Stepan was relieved of his function as permanent SSM representative with IUS when he took over other positions.

It is not yet clear why the IUS president was exchanged.

Further Preparations for the "World Trade Union Conference on the Social and Economic Aspects of Disarmament"

According to information available here, leading functionaries of WFTU and associate TUIs decided at the recent consultative meeting in Prague to hold the second "World Trade Union Conference on the Social and Economic Aspects of Disarmament" in Dublin on 12/13 May 1986. The event, conceived as WFTU's contribution to the UN-proclaimed International Year of Peace, will be the propagandist highlight of the international WFTU campaign entitled "Trade Unions and Workers - for Peace and Work" as well as set off a new phase of expanded activities within the WFTU peace and disarmament campaign.

Corresponding to the well-known tactics exercised by communist front organizations, i.e. to have seemingly neutral international cover organizations become active in the run-up to major events, preparatory work was transferred to the International Trade Union Committee for Peace and Disarmament (Dublin Committee) 6). There are close working connections between the Dublin Committee and WFTU.

In view of preparations for the 11th WFTU Congress planned to be held in East berlin from 16 to 22 September 1986, the World Trade Union conference is of special significance.

Activities of the International Organization of Journalists (IOJ) 7)

The IOJ occupational commission recently convened in Baghdad. The event was attended by representatives of journalist organizations from the USSR, Hungary, East Germany, Poland, Romania, France, Czechoslovakia, Iraq, the IOJ, and the Federation of Arab Journalists (FAJ).

The discussions focused on an analysis of achievements since the last meeting and the drafting of a qorking program for 1986, which provides for expanding the training program for journalists from the Third world. The conferees decided to stage the next international "Interpressphoto" exhibition in Baghdad in 1987. Special notice should be taken of the growing dependence of the Federation of Arab Journalists on IOJ in recent years, which is evident from the increasing number of visits, joint actions and high degree of common objectives. IOJ and FAJ signed a cooperation agreement in late 1985, which pertains to close cooperation mainly in the following subjects:
- "Struggle against all forms of imnperialism, colonialism, racism and zionism;
- Support of the progressive world press;
- Struggle for peace and social progress;
- Struggle against war propaganda."

Another important item of the cooperation agreement is training for Arab journalists.
IOJ sees its predominant task in training journalists at its schools in East erlin, Budapest, sofia, Havana, Prague, Baghdad and Pyongyang. In addition to operating these training centers, IOJ also organizes or influences regional short-term training/advanced training courses for press, TV, radio and photo journalists in Third World countries. There is a steady exchange of material and information between IOJ schools.

Europe

International Information Meeting of Peace Movements

An international information meeting was held in Moscow on 15/16 March 1986 at the initiative of the Soviet Committee for the Protection of Peace and the Soviet committee for European Security and cooperation. It was attended by about 120 representatives of 114 peace movements of various political and ideological orientations from Western Europe, the U.S.A. and Canada.

The purpose of the meeting was to exert influence on the further development of Western European and North American "peace movements" in accordance with Soviet disarmament conceptions as well as work out common positions as a basis for joint actions. The discussions centered on the on the following topics:
- Soviet nuclear disarmament plans up to the year 2000;
- Perspectives of Soviet-American relations;
- European Security and Cooperation;
- Prevention of the "militarization of outer space by the U.S.A.";

- Cooperation and cementing of unity of action within the peace movement.

The meeting furthermore comprised an exchange of opinions on a number of questions dealing with further preparations for the World Peace Congress Copenhagen, 15 to 19 October 1986). The actual results of the meeting have not become known yet.

Thismeeting is seen as part of Moscow's systematic attempts at instilling Soviet conceptions into important non-communist organizations, advertising them, and establishing direct contacts with individual national "peace movements", thus expanding cooperation. How much importance the USSR attaches to the meeting is seen from the fact alone that it has become a permanent institution.

The discussions were attended by the following persons: Brigadier General Michael Harbottle (Great Britain); director of the Center for International Peace-Building Studies and administrator of the international group of "Generals for Peace and Disarmament"; Harmod Lannung (Denmark), chairman of the National Committee for Preparing the world Peace Congress of October 1986 in Copenhagen, executive board member of the Radical Party and president of the World Federation of Peace Federalists; Claudio Gentile, chief of the section for the struggle for peace and disarmament in the Christian Federation of Italian Workers; Robert Penner, coordinator of the Canadian Peace Alliance; Howard Fraser U.S.A.), executive director of the organization for securing permanent peace; and Eva Norland (Sweden), leader of the movement of "Women for Peace".

L a t i n A m e r i c a

Founding of a new Regional Organization

It is interesting to note that the World Federation of Trade Unions is working on expanding its political influence in Latin America. The activities of WFTU and the Permanent Congress of Trade Union Unity of Latin American Workers (CPUSTAL) 8), which acts as a regional organization in Latin america, continued to be concentrated on efforts to call a Latin American trade union conference at which, according to the WFTU, a new, united regional association might be established.

WFTU and CPUSTAL devote special attention to the formation of continental occupational associations in order to improve coordination of activities by trade unions of different occupational sectors. The WFTU-afficiliated Trade Unions Internationals (TUIs) figure rather prominetly in this context.

According to our information, a regional trade union federation of workers in the Latin American and Caribbean electrical industries (FOSIELCA) has been established in late 1985. It will be working in support of the political aims of WFTU and the TUI of Energy Workers. The founding congress was also attended by WFTU,

the TUI of Energy workers and the communist-controlled workers commissions (Spain).

The top executives of the new federation are trade union representatives of the following nations: Mexico (president), Ecuador, Panama, Peru, Cuba (vice presidents), Mexico (secretary general) and Venezuela (secretary).

At present, there are regional trade union federations of teachers, construction workers, graphic industry, commerce and petroleum workers and others in Latin america.

N o r t h   A m e r i c a

Activities of the International Liaison Forum of Peace Forces (ILF) 9)

Information available here indicates that the ILF intends to hold an international meeting in Toronto in May 1986. Neither the topics on the agenda nor the exact date have become known as yet. The discussions will focus on the stronger integration of the North American public into the current peace and disarmament campaign of the communist front organizations. Furthermore, ILF hopes that the meeting will result in a considerable increase in cooperation with the different currents of the North American peace movement and an expansion of its activities in that region - especially with the aid of establishing direct contacts. The meeting is also part of WPC's effort not to limit the current peace campaign to Europe, but expand it to other continents. ILF is a cover organization of WPC, tasked to integrate non-communist institutions and persons into the work of the "world peace movement" controlled by the communist front organizations. It propagates and proliferates Moscow's foreign policy demands, in that way trying to sensitize and win Western public opinion for Soviet conceptions. According to our information, ILF intends to stage an international event in the fall of 1986 as a contribution to the UN-proclaimed International Year of Peace. it is supposed to deal mainly with special disarmament questions. The exact date and site of the event have not become known yet.

III. Dates of Communist or Communist-Controlled International Events

a) New or Changed Dates

Toulouse, France 15/16 Apr 1986	International symposium of the International Liaison Committee of Engineers, Supervisory and Managerial Staff and Technicians (CLIICT)
Poland 25 - 30 Apr 1986	3rd Women's Meeting of CPC

Dublin 12/13 May 1986	World trade union conference on the social and economic aspects of disarmament; organized by the Dublin Committee
Toronto, Canada May 1986	Meeting of the International Liaison Forum of Peace Forces (ILF)
East Berlin 16 - 22 Sep 1986	11th WFTU Congress
Moscow November 1986	International conference on "The Lessons of Nuremberg"; organized by the Soviet Organizing Committee
Vienna Fall 1986	Annual meeting of the International Association for Social Tourism and Leisure of Workers (IASTLW)
? Fall 1986	International meeting on "Disarmament"; organized by ILF
East Berlin 19 - 24 October 1987	10th International Occupational Conference of the Trade Unions of the Metal Industry; organized by the TUI of Workers in the Metal and Machine Building Industry; (see also Nos 1 and 2/86)
North Korea 1989	World Festival of Youth and Students; organized by WFDY and IUS
Australia ?	International WPC Conference on Disarmament

b) Unchanged Dates

Sofia 24 - 27 Apr 1986	Special WPC meeting; (see also Nos 1 and 2/86)
Havana 19 - 25 May 1986	Executive Bureau Meeting of the TUI of Workers in Commerce (see also Nos 1 and 2/86)
Sofia 27 - 29 May 1986	International consultative conference of the trade unions of the graphic industry; (see also Nos 1 and 2/86)
Havana May 1986	3rd Congress of the Association of Latin American Workers in Commerce (COLTRAC); (see also Nos 1 and 2/86)
Rostock, GDR 27 - 28 Jun 1986	Workers' Conference of the Baltic Countries Norway and Iceland; organized

	by the Permanent committee; (see also Nos 1 and 2/86)
Vienna June 1986	International seminare on "Housing Construction - Disarmament - Employment"; organized by the TUI of Building, Wood and Building Materials Industry; (see also No 11/85)
Moscow 21 - 23 Jul 1986	World meeting of scientists on "Science, Technology, Peace"; (see also Nos 1 and 2/86)
Moscow 24 - 26 Jul 1986	General WFSW Assembly (see also Nos 1 and 2/86)
Copenhagen October 1986	International conference on peace education; organized by "Teachers for Peace"; (see also No 12/85)
East Berlin September 1986	11th WFTU Congress (see also No 10/84)
Copenhagen 15 - 19 Oct 1986	World Peace Congress; organized by WPC; (see also No 7/85)
Sofia October 1986	10th IOJ Congress; (see also nos 8 and 9/85)
Prague November 1986	World students' forum on "Education and Society"; organized by IUS; (see also Nos 1 and 2/86)
Budapest November 1986	12th WFDY General Assembly; (see also No 11/85)
Vienna 1 - 3 Dec 1986	World Meeting of War Veterans for Disarmament; organized by the Coordinating Committee; (see also No 5/85)
Athens December 1986	International conference of the European and North American Anti-War Movements; organized by the Movement for National Independence, World Peace and Disarmament (KEADEA); (see also No 11/85)
?	European Youth Conference on "Life, Work and Training - Young Europeans Standing Side by Side"; organized by the French labor association, CGT; (see also No 10/85)
Brussels 1986	International Colloquium on the dangers of an arms race in outer space; organized by IADL; (see also Nov 11/85)
New Delhi 1986 or 1987	International Symposium on the problems of the efficient employment of science

	and technology in developing countries; organized by WFSW; (see also No 10/85)
Leningrad 1986	International women's seminar on "School of Peace"; organized by the Soviet Women's Association; (see also Nos 1 and 2/86)
?	International Forum for Security and Cooperation in the Pacific and Asia; organized by WPC; (see also No 11/85)
? 1986	International meeting of unemployed youth; organized by an initiative of WFDY; (see also Nos 1 and 2/86)
? 1986	International seminar on the "Role of the Religious Population and its Contribution to the Struggle for Peace"; organized by WPC; (see also Nos 1 and 2/86)
?	Conference by the Journalists of the six Front-line Nations, Lesotho, Nigeria, ANC and SWAPO on "The Role of Journalists in the Struggle for Peace and Development and against Apartheid and colonialism in Southern Africa"; organized by IOJ; (see also No 12/85)
? 1986 or 1987	International Conference of Miners and Energy Workers for Peace and Disarmament; organized by the International Organization of Miners (IOM); (see also No 10/85)
?	International Trade Union Conference on the "Debt Crisis"; organized by WFTU; (see also No 12/85)
East Berlin July 1986	Consultative meeting of all communist front organizations;
?	International conference on a "new international information order"; organized by AAPSO; (see also No 11/85)
Athens Spring 1987	10th Regular Congress of FIR; (see also Int. Comm. No 11/84)
Moscow June 1987	World Women's Congress; organized by WIDF; (see also Int. Comm. No 12/85)
Moscow June 1987	9th WIDF Congress; (see also Int. Comm. No 12/85)
? 1987	Consultative meeting by the chairmen of the European member organizations of the TUI of Workers in the Metal Industry; (see also Nos 1 and 2/86)

Footnotes:

1) WFSW, which has its official headquarters in London, was established in July 1946. Today, it has regional centers in East Berlin,New Delhi and Algiers, as well as 50 member organizations with about 500,000 members in 36 nations and corresponding members in another 17 countries.
The highest body of the WFSW is the general assembly held every third year. Other important bodies are the executive council and the bureau as well as the following permanent committees: disarmament committee, socio-economic committee, and the politico-scientific committee. Working methods of the WFSF comprise the staging of international symposia and conferences.

2) CLIICT emerged as a permanent institution from the International Conference of Engineers, Supervisory and Managerial Staff and Technicians (Turin, April 1975). Its president is Barry Seeger (Great Britain). CLIICT is controlled by the WFTU's Commission for Engineers, Supervisory and Managerial Staff and Technicians.

3) For CPC, see No 12/85.

4) Communist-controlled FISE (international abbreviation of Federation Internationale Syndicale de l'Enseignement), headquartered in East Berlin, was incorporated into WFTU as one of the 11 Trade Unions Internationals (TUIs) in Kuly 1946. Its position in WFTU among the other TUIs is special and for historical reasons and because of the qualifications of its members more independent of WFTU. FISE is more than a mere federation of labor, since it also acts as a vocational association and is almost as important as other independent communist front organizations. It currently comprises 121 organizations with about 25 million members from 85 nations.

5) IUS, headquartered in Prague, currently comprises 117 student associations from 1099 European, Asian, African and American countries with about 35 million members. The congress, normally held every three years, is the highest decision-making body. Together with the World Federation of Democratic Youth (WFDY), IUS initiated the World Festival of Youth and Students.

6) The Dublin committee emerged as a permanent institution from the World Trade Union Conference on the Social and Economic Aspects of Disarmament. The Committee is tasked with coordinating trade union actions within the disarmament campaign and exerting increased influence on non-communist labor organizations along the lines of Soviet disarmament conceptions, thus winning their cooperation. The founding session of the Committee took place in Dublin in May 1982.

7) For IOJ, see Int. Comm. Nos 1 and 2/86

8) WFTU has been trying to enhance the establishment of a new Latin American trade union federation ever since the dissolution of the "Confederacion de Trabajadores de America Latina" (CTAL). A "Congress of Trade Union Unity" at which the new federation was supposed to be founded took place in Brasilia as early as 1964. This plan, however, failed because of insufficient interest on the part of the Latin American trade unions, so that only CPUSTAL was formed.

9) See Int. Comm. No 12/85

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02 January 1986

SUPPLEMENTARY REPORT ON INTERNATIONAL COMMUNISM

TgbNr.: 978/85 VS-V

Subject: Activities of International Soviet-Controlled Front Organizations - No 12/85

Period Covered: December 1985

Summary: See Table of Contents and General

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Table of Contents

I. General

New developments in the activities of the communist front organizations (ICFOs) were not evident during the period under review. Agitation generally continued to be concentrated on disarmament, especially the campaign against the "Militarization of Outer Space by the U.S.A." A number of events again served to draft action programs for 1986, which will be dominated by the UN-proclaimed "International Year of Peace" (IYP).

The activities of the national ICFO member organizations in 1986 will again be determined by the standards of the association as a whole. Their task will continue to be to exert influence on public opinion and the policies of the respective nations to bring them in line with Soviet foreign policies and work toward changes of attitude.

Special notice should be taken of the ICFOs', especially AAPSO's, intention of stepping up the integration of the Third World public into the current peace and disarmament campaign. Their chief target is to establish an even closer link between the actions in this campaign and other aspects of the "anti-imperialistic struggle". More emphasis, for example, is to be placed on linking problems of economic development and disarmament questions as well as on showing a correlation between development and disarmament.

Interesting are Soviet efforts to integrate teachers' organization more closely into the peace and disarmament campaign in future. These activities will culminate in an "International Conference on Peace Education" in 1986, which will be prepared to some extent by the communist-controlled "International Federation of Teachers' Unions" (FISE).

The "Women's International Democratic Federation" (WIDF) held a council meeting on "The Current International Situation, the Role of Women in the Struggle for Peace and Disarmament, Against the Danger of a Nuclear War, for Women's Rights, National Independence and Solidarity" in Prague. The most important result of the consultations was the decision to convene a "World Congress of Women" and the "9th WIDF Congress" in Moscow in June 1987. This corresponds to the common practice of ICFOs to hold an international conference parallel to a meeting of one of its leading bodies.

In the past months, the communist-controlled World Federation of Trade Unions (WFTU) has been found to considerably step up its activities within the framework of the campaign of communist front organizations against foreign indebtedness of Third World countries and for the establishment of a new international economic order.

II. Events and Activities

W o r l d w i d e

Collaboration of ICFOs

Special attention should be given to growing collaboration between the international communist front organizations (ICFOs). Their cooperation is concentrated on actions as part of the current peace and disarmament campaign.

Most significant is their intention to step up cooperation in the field of publication and documentation. Among other things they plan to edit a joint international "Journal for the Peace Forces" and form a research group and an editorial council consisting of representatives of various international communist front organizations. Moreover, they intend to support these activities by creating a joint advisory commission for information activities of the closely cooperating "nongovernmental" organizations, which is to comprise representatives of each communist front organization. Another highlight of cooperation is to be the exchange of material and articles, the organization of international seminars on topics of common interest and the publication of a leaflet commemorating the 40th anniversary of the establishment of most communist front organizations.

The following ICFOs are going to figure in these activities:

- World Peace Council (WPC)
- International Organization of Journalists (IOJ)
- World Federation of Trade Unions (WFTU)
- Women's International Democratic Federation (WIDF)
- International Union of Students (IUS)
- Afro-Asian Peoples' Solidarity Organization (AAPSO)
- Asian Buddhist Peace Conference
- Berlin Conference of European Catholics
- Christian Peace Conference

- International Federation of Resistance Movements (FIR)
- International Federation of Teachers' Unions (FISE)
- Afro-Asian and Latin American Peoples' Solidarity Organization (AALAPSO)

The communist front organizations form a tight network consisting of numerous, mostly mutual, connections. Another important feature is the personnel linkage of their executive members. Functionaries of one organization simultaneously are members of another one or even on an executive board. Leading positions are usually held by CP functionaries. For reasons of outward appearance, however, they are normally subordinated to personalities who deliberately are not members of a Communist Party.

Bureau*) Meeting of the World Peace Council Presidium

From 30 November to 2 December 1985, the bureau of the WPC presidium held a meeting in Stockholm, which was attended by about 100 representatives of anti-war and peace movements from approximately 70 nations.

The purposes of the meeting were to lay down the WPC's positions on main questions of international developments, and draft an action program for further activities. The WPC's most important task within the framework of the peace and disarmament campaign in 1986 will continue to be the exertion of influence on and infiltration of different currents of the "peace movement" in line with Soviet disarmament conceptions.

The action program again provides for peace marches, solidarity and protest actions, disarmament weeks, seminars and conferences In the organization and preparation of international events, the WPC will continue to cooperate closely with the other communist front organizations. The action program is mainly characterized by a clear expansion of agitation within the frame-

*) The WPC Bureau consists of the president and vice president of the council as well as representatives of national peace committees and movements. It is tasked to implement the decisions of the presidium. Furthermore, it initiates activities in line with the decisions of council and presidium.

work of the ICFOs' campaign against the "militarization of outer space by the U.S.A." Highlights of these activities will be the "World Peace Council" planned to be held in Copenhagen from 15 to 19 October 1986. Detailed results of the consultations, especially the adopted action program, have not become known yet.

The "Soviet Committee for the Protection of Peace" was represented by a delegation headed by Oleg S. Kharkhardin, the Committee's first deputy chairman. Kharkhardin is responsible for the international peace movement in the functional sector of the International Department of the CPSU's Central Committee. The East German delegation was headed by Werner Rümpel, first vice president of the East German Peace Council.

The bureau meeting was prepared at a conference in Sofia from 22 to 24 November 1985, in which peace committee representatives from Bulgaria, Hungary, Vietnam, East Germany, Cambodia, North Korea, Cuba, Laos,Mongolia, Poland, Romania, the Soviet Union and Czechoslovakia as well as a WPC delegation headed by WPC president Romesh Chandra, participated. Such consultative meetings are held regularly before important conferences of WPC executive bodies in order to determine the topics to concentrate on, the main directions and guidelines of future WPC activities.

Preparation of a "World Forum for Education"

According to our information, the International Union of Students (IUS) plans to hold a "World Forum for Education" in 1986 as part of its international campaign "Education - A Right, not a Privilege". Site, exact date and topics of the agenda are not known yet. The IUS intends this event to reach broad circles of the public and to lead to expanded cooperation with noncommunist students' unions. Preparations for the Forum are to comprise a number of seminars at regional and national level, where the educational problems in various regions are to be analyzed.

We believe that, corresponding to the tactics frequently exercised by the IUS (and other front organizations), further preparations for the Forum are going to be transferred to a purportedly "neutral" international preparatory committee.

Agitation within the campaign "Education - a Right, not a Privilege" and the further preparation of the Forum will focus on the following demands:
+ Elimination of illiteracy;
+ Equal right to education for everyone;
+ Better social, living and study conditions;
+ Job guarantees for university graduates.

Unconfirmed information indicates that the Libyan students' union agreed to hold, and thus also finance, the Forum in Libya.

The meeting of the IUS executive committee scheduled to be held in Pyongyang in mid-January 1986, will be concentrated on working out the 1986 action program.

Council Meeting of the Women's International Democratic Federation (WIDF*)

The communist-controlled WIDF held a council meeting in Prague from 28 November to 2 December 1985 on "The Current International Situation, the Role of Women in the Struggle for Peace and Disarmament, Against the Danger of a Nuclear War, for the Rights

*) Judging by its goals and tasks as well as the personnel structure of its executive bodies, the WIDF, established in 1945, is considered a classic communist front organization. At first headquartered in Paris, WIDF had to leave when the French government prohibited any further activities in January 1951. WIDF currently comprises 135 national women's associations from 117 countries. WIDF member organizations are under direct control of the East Berlin headquarters - without regional associations in-between. The organizational structure is completed by special organization and commissions

of Women, for National independence and Solidarity". It was attended by about 350 representatives of 135 national member organizations from 117 countries.

The purpose of the meeting was to take stock of WIDF activities held since the latest council meeting as well as work out a long-term action program.

The predominant task of WIDF activities will remain to be unity of action with noncommunist women's organizations and their closer integration into the current peace and disarmament campaign. The most important outcome of the consultations was the decision to summon a "World Congress of Women" as well as the 9th WIDF Congress in Moscow in June 1987, which is in keeping with the frequently observable practice of communist front organizations to hold an international conference on a specific topic parallel to a meeting of one of their executive organs. The WIDF action program for 1986, too, provides for a clear expansion of agitation within the framework of the ICFO campaign against the "militarization of outer space by the U.S.A."

The main topic at the council meeting was the "NGO Women's Forum" (Nairobi, July 1985), which to a large extent was prepared and organized by the communist front organizations, especially the WIDF. WIDF, which, as compared to other communist front organizations, has had little success in building up regional organizations under its control since it was formed 40 years ago, hopes to achieve better working conditions at international level through the implementation of decisions made at the Nairobi Forum and the expansion of its basis by the Forum.

Conference of the International Liaison Forum of Peace Forces (ILF*)

Initiated by the ILF, a cover organization of the World Peace Council (WPC), an international dialogue forum was held in Vienna from 6 to 8 December 1985, where the "tasks of the peace movement after the Geneva summit" were discussed. The consultations were attended by about 50 representatives of political parties and anti-war movements from 24 nations of all continents. The "Soviet Committee for the Protection of Peace" was represented by a delegation headed by Oleg S. Kharkhardin, first deputy chairman of the Soviet Committee, secretary general of ILF and representative of the International Department of the CPSU's Central Committee.
The East German delegation was headed by Manfred Feist, a member of the East German SED's Central Committee and ILF vice president.

Main topic of discussion was the drafting of a working program which essentially relates to a further activation of the peace movement and even closer cooperation of the different currents in the peace movement. The dialogue forum was moreover intended to familiarize the participants with the most important items of the WPC's 1986 action program. The specific results of the consultations are not known yet. A final declaration underlined that it was necessary to lead the peace movement toward conducting effective actions. "The object now is to stop the arms race and prevent Star Wars." The ILF plans to hold a number of meetings in several countries - also again in Vienna, Austria - in order to implement these decisions.

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*)The ILF emerged as a standing institution from the Moscow Worl Congress of Peace Forces (1973). The chief task of this WPC cover organization is to act as an umbrella for all organizations that are not prepared to join the communist-controlled WPC. It is especially the less tightly-knit type of organization - in comparison with that of the other communist front organizations - that is to facilitate the cooperation of noncommunist organizations. The most important working method of the ILF is to organize dialogues with representatives of different political forces, establish contacts with political parties and organizations and coordinate the work of various international peace organizations. Some of the conferences organized by the ILF resulted in the formation of action group and the organization of international campaigns in which all ICFOs participated. The ILF is controlled by the WPC. Its president is Romesh Chandra, the president of the WPC.

According to an unconfirmed report available here, the ILF intends to establish a working group tasked to collect and distribute information on arms conversion and cooperation in campaigns as well as draw up a calendar of events held world-wide on the peaceful use of outer space.

The ILF, little known to the broad public, also figures in the preparation and organization of the WPC-initiated "World Peace Congress" scheduled to be held in Copenhagen from 15 to 19 October 1986. It sees its mission mainly in "guaranteeing continuous and coordinated cooperation of the various peace movements in an effective way". The International Institute for Peace (IIP) in Vienna "caters" to the scientific and organizational needs of the ILF.

For the Soviets, these activities are controlled by Oleg S. Kharkhardin. Within the International Department of the CPSU's Central Committee, tasked to control the international communist movement, he has top responsibility for the "international peace movement". Another person figuring prominently in this respect is Victor G. Afanasiev, editor-in-chief of Pravda, vice president of the ILF and the International Organization of Journalists (IOJ).

Activities of the Afro-Asian Peoples' Solidarity Organization (AAPSO*)

The AAPSO bureau held a meeting in Athens in early December 1985. The discussions centered on drafting an action program for 1986 and on the closer integration of the Afro-Asian public into the current peace and disarmament campaign of the communist front organizations. Information on the results, especially on the contents of the action program, is not available yet.

Similar to the other communist front organizations, AAPSO will focus its agitation in 1986 on the demand to prevent the "militarization of outer space by the U.S.A." Moreover, it intends to

*) For AAPSO, see No 10/85

link its actions within the framework of the disarmament campaign even closer to other aspects of the "anti-imperialistic struggle". It is specifically intended to connect problems of economic development with disarmament questions and emphasize the correlation of development and disarmament.

AAPSO, which increasingly tries to act as a representative spokesman of the Third World, unconditionally subordinates its propaganda and agitation to the political goals of the Soviet Union. In Africa and Asia, it currently is the most active and influential of the communist front organizations and, with the aid of its national member organizations, sees its task chiefly in influencing public opinion and the government policies of the countries in question along the lines of Soviet foreign-policy conceptions. Especially important in this context is AAPSO's intention to hold an international conference on "Peace and Development in Africa" in Brazzaville in April 1986. This event is to lead to the establishment of a permanent "African Committee for Friendship and Solidarity Among the Peoples" for continuing the conference work and implementing its decisions.

Activities of the World Federation of Trade Unions (WFTU)

In the past months, there has been a marked intensification of activities by the communist-controlled WFTU within the framework of the campaign against foreign indebtedness of Third World countries and for the establishment of a new international economic order.

It became known only now that an international trade union seminar on "The Struggle of Trade Unions Against the Practices of the International Monetary Fund (IMF) and the World Bank" took place in Moscow from 19 to 21 November 1985 as part of this campaign. It was attended by trade union representatives from about 30 nations and a number of communist front organizations. The event was organized by the "Academy of the Trade Union Movement" (VSHPD).

Topics of discussion were the closer integration of the international labor movement into these activities, mainly the intended unity of action with non-communist trade union associations at national level as well as the coordination of future actions.

WFTU expects this meeting and the implementation of the conference results to lead to an increase of worldwide activities and an intensification of the campaign against transnational companies. Interesting in this context is WFTU's intention to summon an international trade union conference on the "Debt Crisis", where connections and correlations between the debts of Third World countries and the arms race are to be dealt with.

Further events on this topic are expected to follow soon. This year, Havana has been the staging area of all-Latin-American trade union, youth, women's and journalists' conferences as part of the campaign against foreign indebtedness of Third World countries.

Responsible for the coordination and control of these activities is the WFTU commission for the problems connected with multinational companies, which is chaired by A. Stern (France). Established in September 1976, it is tasked to render the WFTU's strategy more effective by performing studies and analyses and compiling documentation.

Preparation of a "World Peace Congress"

As part of preparations for the "World Peace Congress", initiated by the WPC and scheduled to be held in Copenhagen from 15 to 19 October 1986, a preparatory meeting took place in Copenhagen in mid-December 1985, in which 194 representatives of about 120 national organizations and peace movements from 58 countries as well as 18 international organizations participated.

This meeting set off the actual preparations which will mainly be held in the form of national events. From the beginning, it was intended to win the highest-possible number of non-communist organizations and individuals for participating and give them the appearance of being the organizers. An international preparatory committee was created for the same reason. Information on the outcome of the meeting is not available as yet.

The following topics are to be on the agenda of the World Peace Congress:

- Prevention of the "Militarization of Space";
- Effective measures for stopping the arms race;
- Banning of nuclear testing;
- Banning of the deployment of medium-range nuclear missiles;
- Creation of nuclear-free zones;
- Reduction of the military budgets;
- Freezing of strategic weapons;
- Elimination of crisis spots;
- Peaceful solutions to conflicts;
- Socio-economic development and establishment of a new international economic order;
- Support of the UN and its special organizations as well as the Nonaligned Movement;
- Development of détente in the spirit of the Helsinki Final Act;
- Economic and scientific cooperation;
- Confidence-building measures.

In addition to politically mobilizing the peace forces worldwide and further intensifying cooperation among the "peace movements" for activities of the communist front organizations, the World Peace Congress will have the main goal of winning non-communist participants for Soviet views on a peaceful world. As with comparable events in the past, the Congress will probably be financed through the Soviet peace fund and national peace committees of the Soviet Bloc nations.

Presidium Meeting of the Christian Peace Conference (CPC*)

In early December 1985, the CPC presidium held a three-day meeting in Budapest, where main guidelines for activities in 1986 were determined. The adopted action program for 1986 is fully oriented towards the UN-proclaimed "International Year of Peace", for which the CPC will organize international and regional activities, continue old ones, and develop new initiatives. No information is available yet on the specific outcome of the consultations.

Of special interest is the CPC's request to the UN Human Rights Commission to commemorate the French Revolution and freedom of worship proclaimed at that time by declaring 1989 the "International Year of Religious and Ideological Tolerance"

The presidium is the top CPC body. It consists of the president honorary president, honorary presidium members, vice presidents, chairman of the continuation committee and secretary general.

Agiation within the disarmament campaign will continue to be focused on:

- No "Militarization of Space";
- No more deployment of nuclear weapons on any continent;
- Reduction of strategic and medium-range missiles;
- No first use of nuclear weapons;
- Elimination of all nuclear weapons;
- Discontinuation of the arms race on earth;
- Extension of disarmament to conventional weapons;
- Freezing and then reduction of military budgets;
- Use of money thus saved for development;
- No military solutions to conflicts between peoples.

*) The CPC was set up in Czechoslovakia in 1959 as a front for the WPC by pro-communist non-Catholic church leaders, most of them members of the Czech Peace Council. The difficulties resulting from the WP invasion of Czechoslovakia in 1968 having been overcome, the CPC now figures as an interpreter of Soviet ideas and aims at innumerable meetings of national and international bodies throughout the world. Regional religious groups in some 70 countries are affiliated to the Prague-based CPC. Its president, Dr. Karoly Toth, Bishop in the Hungarian Reformed Church, is a member of the WPC presidium.

E u r o p e

Preparation of an "International Conference on Peace Education"

According to information available here, the organizations of "Teachers for Peace" intend to make a contribution to the International Year of Peace (1986) by organizing an "International Conference on Peace Education", which will partly be prepared by the communist-controlled International Federation of Teachers' Unions (FISE*). In addition to teachers unions, representatives of "peace movements" in other vocational groups will be invited.

The main topics of discussion will be the closer integration of non-communist national and international teachers' unions into the current disarmament campaign. The conference will probably lead to the formation of a permanent institution, comparable to the "International Physicians for the Prevention of Nuclear War" (IPPNW).

These activities will be coordinated by Magne Askeland, "Teachers for Peace" (Norway), Johnny Baltzersen, "Teachers for Peace" (Denmark), Horst Bethge and Lutz van Dick, "Pedagogues Against the Arms Race Mania" (Federal Republic of Germany).

In our opinion, this event is the European teachers' meeting on "European Dialogue of Teachers' Organizations on Questions of Peace and Disarmament", which, at FISE's initiative, was supposed to have taken place as far back as 1984. For optical reasons and in order to win a large number of non-communist participants, the topics on the agenda are to be based on the recommendations of the UNESCO Conference on Education for Disarmament (Paris, 1980) and on the final documents of the UN special session on disarmament in 1982.

Information available to us indicates that the conference is scheduled to be held in Copenhagen in October 1986.

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*) For FISE, see No 11/85.

A first preparatory talk took place in Cologne in late April 1985, in which 33 representatives of 18 organizations of "Teachers for Peace", of "peace movements" and teachers' unions participated.

A notable fact is that FISE started a campaign entitled "millions of signatures of teachers for peace", which is to be terminated on 24 October 1986 when the list of names is going to be presented to the UN secretary general.

Activities of the World Federation of Scientific Workers (WFSW*)

It became known just now that the WFSW's regional center held a meeting in East Berlin in late November 1985 on "The Responsibility of Scientists in the Struggle for Securing Peace, for Disarmament and Against the Arms Race". The discussions focused on a stronger mobilization of scientists for the disarmament campaign and the drafting of the 1986 action program. A special highlight of WFSW activities in the months to come is the further preparation of the inernational forum of scientists on "Science, Technology and Peace" scheduled for July 1986 in Moscow, and the 14th General Assembly.

The international Forum, conceived as the WFSW's contribution to the UN-proclaimed Year of Peace, will attempt to expand contacts to scientific circles, which are of great importance in the dissemination of information, and thus integrate them more strongly into the current campaign against the "militarization of space by the U.S.A." Propaganda in 1986 is to stress and support the positions of scientists who rject a participation in the SDI project.

WFSW continues to see its chief task in granting other communist front organizations scientific support by conducting studies on all scientific-technological and socio-political aspects of arms and disarmament questions, thus making their propaganda more appealing to the public. One plain reason why it is useful to Moscow is its "bourgeois image" which inspires confidence and brings people to collaborate with communists.

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*) For WFSW, see No 10/85

The activities of the national WFSW member organizations in 1986 will again be determined by the standards set by the federation as a whole.

The WFSW member organizations of the Soviet Bloc countries also convened in East Berlin in late November 1985. The results of their consultations have not become known yet. Such meetings are generally tasked to coordinate action programs and/or determine the guidelines for future policies of the communist front organizations. Bodies merely elected for keeping up a democratic appearance, however, have hardly any influence on the policies of the communist front organizations. In practice, their activities are limited to approving decisions made by the member organizations of the Soviet Bloc countries. Their only function is acclamation.

A f r i c a

Activities of the Communist-Controlled International Organization of Journalists (IOJ*)

The IOJ currently sees its most important task in stepping up its exertion of influence in Africa within its campaign against South Africa as well as make the target group of journalists, important in the propagation of information, go along with Soviet African policies.

Important in this respect is IOJ's intention to make the conference of the six front-line states, Lesotho, Nigeria, ANC and SWAPO, held at IOJ-initiative in Maputo in late August 1985, a permanent institution. According to information available here, the second conference of this type is to be held in 1986 on "The Role of Journalists in the Struggle for Peace and Development as well as Against Apartheid and Colonialism in

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*) The IOJ with seat in Prague was founded in 1946. By 1950, most of the non-communist organizations had left the IOJ and in 1952 formed the Brussels-headquartered International Federation of Journalists (IFJ).
The IOJ currently has about 200,000 members. Like all communist front organizations, it advertises Soviet policies with the aid of declarations, resolutions, conferences, seminars, etc.

South Africa". It will be organized by the journalist associations of Zambia and Mozambique. A number of working meetings will be held for further preparations.

One special topic of discussion at the conference is going to be the reduction of Western predominance in mass media and the implementation of a new international information order. According to the IOJ, transnational media companies, with their neocolonialist and undemocratic practices of interference, restriction of intellectual freedom and creating of dependence", still play a predominant role in Africa. In this context, African journalists are called upon to support the work of the Pan-African news agancy (PANA) in the struggle to put an end to the continent's current dependence on foreign agencies. Also of interest is the demand that African journalists make more use of information supplied in publications of communist front organizations and of foreign antiapartheid and solidarity organizations.

L a t i n   A m e r i c a

Preparation of an International Conference

An "International Conference against the Arms Race, for Peace and Development" is going to be held in Havana from 7 to 11 January 1986 at WPC initiative. It will be attended by representatives of "peace movements" and experts for development questions. Responsible for the organization of the event is the "Cuban Movement for Peace and Sovereignty of the Peoples".

Special topics of discussion will be:

+ The economic results of the arms race; and
+ The dangers resulting from the stockpiling of conventional, nuclear, chemical and neutron weapons.

In addition to having propagandist goals, the conference is intended to make the Latin American public more sensitive toward today's worldwide peace and disarmament campaign of the communist front organizations.
Details of the WPC's 1986 action program for Latin America have not become known yet.

III. Dates of Communist or Communist-Controlled International Events

a) New or Changed Dates

7 to 11 Jan 1986 Havana	International Conference Against the Arms Race, for Peace and Development; organized by the WPC
30 Jan - 2 Feb 1986 Delphi, Greece	International conference on "The Mediterranean and International Peace"; organized by the WPC
Copenhagen October 1986	International Conference on Peace Education; organized by "Teachers for Peace"
? 1986	Conference of journalists from the six front-line states, Lesotho, Nigeria, the ANC and SWAPO on "The Role of Journalists in the Struggle for Peace and Development and Against Apartheid and Colonialism in South Africa"; organized by IOJ
?	International trade union conference on "Debt Crisis"; organized by WFTU
?	World Forum for Education; organized by IUS
June 1987 Moscow	World Congress of Women; organized by WIDF
June 1987 Moscow	9th Congress of WIDF

b) Unchanged Dates

Cairo Mid-January 1986	Extraordinary AAPSO Meeting; (see also Int. Comm. Nos 8 and 9/85)
Warsaw 16 - 19 Jan 1986	World Congress of Intellectuals for Defending a Peaceful Future of the World; (see also No 10/85)
Sofia Early 1986	Symposium on "Christians and Marxists Discussing Peace"; organized by the International Institute for Peace (IIP)
Syria March 1986	6th International Anti-Monopolistic Conference of Trade Unions for Workers in the Petroleum Industry; organized by the Permanent Anti-Monopolistic Action Committee of Petroleum Workers; (see also No 4/85)
Brazzaville April 1986	International conference on "Peace and Development in Africa"; organized by AAPSO; (see also No 7/85)
Vienna June 1986	International seminar on "Housing Construction - Disarmament - Employment"; organized by the TUI of Building, Wood and Building Materials Industry; (see also No 11/85)
Moscow July 1986	General WFSW Assembly; (see also No 10/85)
Moscow July 1986	International meeting on "Participation of Scientists in the Struggle for Peace and Disarmament"; organized by WFSW; (see also No 10/85)

East Berlin September 1986	11th WFTU Congress; (see also No 10/84)
Copenhagen 15 - 19 Oct 1986	World Peace Congress; organized by WPC; (see also No 7/85)
Sofia October 1986	10th IOJ Congress; (see also Nos 8 and 9/85)
Budapest November 1986	12th General Assembly of WFDY; (see also No 11/85)
? Early Dec 1986	World Meeting of War Veterans for Disarmament; organized by the coordinatior committee; (see also No 5/85)
Athens December 1986	International Conference of European and North American Anti-War Movements; organized by the Movement for National Independence, World Peace and Disarmament (KEADEA); (see also No 11/85)
Dublin May 1986	World Trade Union Conference on the Social and Economic Aspects of Disarmament; organized by the Dublin Committee; (see also No 6/85)
?	European Youth Conference on "Life, Work and Education - Young Europeans Side by Side"; organized by the French trade union confederation CGT; (see also No 10/85)
Brussels 1986	International colloquium on the dangers of an arms race in outer space; organized by IADL; (see also No 11/85)

New Delhi 1986 or 1987	International symposium on problems in the efficient application of science and technology in developing countries; organized by WFSW; (see also No 10/85)
?	International Forum for Security and Cooperation in the Pacific and Asian Area; organized by WPC; (see also No 11/85)
? 1986 or 1987	International Conference of Miners and Energy Workers for Peace and Disarmament; organized by the International Organization of Miners (ICM); (see also No 10/85)
?	International conference on "New International Information Order"; organized by AAPSO; (see also No 11/85)
New Delhi ?	Conference of Asian and African Writers; organized by the Permanent Bureau of Afro-Asian Writers (AAWPB); (see also No 6/85)
Athens Spring 1987	10th Regular FIR Congress; (see also No 11/84)

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03 December 1985

Report on International Communism

TgbNr.: 912/85 VS-V

Subject : World Peace Council - International Conference on "The Mediterranean and World Peace" in Athens from 30 January to 02 February 1986

DOI : November 1985

Summary : An international conference on "The Mediterranean and World Peace" is going to be held in Athens from 30 January to 02 February 1986. It was initiated by the World Peace Council (WPC). Chairman of the Greek preparatory committee is M. Stathopoulos, rector of Athens University.

All countries bordering on the Mediterranean have been invited to attend the conference. The costs have been estimated at approximately 10 million drachmas.

An international conference on "The Mediterranean and World Peace" is going to be held in Athens from 30 January to 02 February 1986. It was initiated by the World Peace Council (WPC). Chairman of the Greek preparatory committee is M. Stathopoulos, rector of Athens University. The conference is expected to cost approximately 10 million drachmas.

/Comment:

It is not clear yet why the conference, originally scheduled for November 1985, has been postponed.

It is, however, assumed that the conference is supposed to be added to the WPC's list of events comprising a broad spectrum of WPC-initiated and organized meetings and manifestations for the UN-proclaimed "International Year of Peace" in 1986.
The conference in Athens could also be regarded as a regional event in preparation of the World Peace Congress which the WPC plans to hold in Copenhagen from 15 to 19 October 1986.

For years, the Mediterranean has been a major topic of the propaganda campaigns conducted by the WPC and all other communist front organizations. Some of their demands in this respect are:

- Mobilization of the public for stepping up cooperation of all countries in the region;
- Withdrawal of all nuclear warships from the Mediterranean;
- Elimination of (U.S.) military bases;
- Opposition to military activities of the U.S.A. in the region;
- Support of fair solutions to local conflicts in the region (e.g. Middle East crisis, Cyprus);
- Organizing of a conference for peace and security in the Mediterranean region;
- Establishment of a nuclear-free zone in the Balkans.

As with other such conferences (e.g. the "International Conference of Solidarity with the Arab People and Palestine" in Lisbon in November 1979), Libya will probably contribute to the expenses.

This report once again shows how attractive Athens is as a meeting place for communist front organizations./

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An international conference on "The Mediterranean and World Peace" is going to be held in Athens from 30 January to 02 February 1986. It was initiated by the World Peace Council (WPC). Chairman of the Greek preparatory committee is M. Stathopoulos, rector of Athens University. The conference is expected to cost approximately 10 million drachmas.

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03 March 1986

SUPPLEMENTARY REPORT ON INTERNATIONAL COMMUNISM

TgbNr.: 230/86 VS-V

Subject: Activities of Soviet-Controlled International Front Organizations Nos 1 and 2/86

Period Covered: 01 January - 28 February 1986

Summary: See Table of Contents and General

Table of Contents

I. General

There has neither been a noticeable change nor a shift of focus in the basic tendency of the activities by the communist front organizations during the period under review. Their efforts were mainly directed at propagandist and organizational cooperation with non-communist organizations within the context of the disarmament campaign.

According to the World Peace Council (WPC), the UN-proclaimed "Year of Peace" is to be turned into the "year of the greatest unified mass actions for peace and the prevention of a nuclear inferno". Activities mainly within the framework of the campaign for the "prevention of the militarization of space" are to be intensified considerably. One of the most important items on the working program of the WPC Disarmament Commission will be the exertion of influence on target groups that carry weight in the public - such as scientists, physicians, pedagogues, artists, lawyers, writers, engineers, etc.

The ICFOs called upon and appealed to the international public to increase pressure on the U.S. government so that it will accept the disarmament proposal made by Gorbachev. Tension between the U.S.A. and Libya led to massive anti-American agitation on the part of the ICFOs.

The World Federation of Democratic Youth (WFDY) will increasingly focus its agitation on unemployment in the young generation. Special attention should be given to the intention of the WFDY to mobilize and influence unemployed persons along the lines of WFDY policies by staging a first "international meeting of unemployed youth". It cannot be ruled out that the WFDY or the USSR intend to have a permanent institution emerge from the conference or provide the already existing national associations of unemployed youths with a regional organizational structure.

Initiated by the Women's International Democratic Federation (WIDF), March/April 1986 is going to be declared an "anti-war month" under the motto "prevention of the militarization of space - peace on earth and in space". Interesting in this connection is the intention of the Soviet women's association to hold a seminar on the "School of Peace" in Leningrad for women's organizations from the CSCE nations. These events are part of WIDF's and Moscow's efforts to expand cooperation between women from Western Europe and the Soviet-Bloc countries within the disarmament campaign, improve the coordination of their activities in the European area and eliminate existing resistance of non-communist women's associations against unity of action.

II. Events and Activities

W o r l d w i d e

Cooperation of the International Communist Front Organizations

(ICFOs)

According to information available here, all communist front organizations are going to hold a consultative meeting in East Berlin in July 1986, where they are going to discuss the expansion of action programs according to developments of the political situation and, mainly, a better coordination of their activities.

This meeting is one of a series of consultations held regularly since 1984, at which the basic guidelines of ICFO activities are determined. The latest meeting of this type took place in Havana in mid-October 1985.

In this context it was noticeable that bilateral cooperation between ICFOs has been expanded. Also identified was a clear increase in contacts between ICFO member organizations at national level.

Activities of the Communist-Controlles "World Federation of Scientific Workers" (WFSW) 1)

A special highlight of WFSW activities currently is the preparation of the world meeting of scientists on "Science, Technology, Peace", conceived as the WFSW's contribution to the "International Year of Peace", and the 14th WFSW General Assembly, which will both be held in Moscow in July 1986. For optical reasons and in order to achieve the participation of a large number of non-communist scientists, the further preparation of the world meeting was delegated to a "neutral" international preparatory committee. The purpose of the major event will be to expand contacts and intensify a dialogue, thus in the future enhancing the worldwide integration of the circles addressed into the ICFO's disarmament campaign.

Information available here indicates that the international preparatory committee convened in Moscow on 11/12 January 1986 in order to discuss the agenda and action program of the world peace meeting. The concrete results of the consultations have not become known yet.

Refraining from imposing a comprehensive program and trying to win a large number of non-communist scientists as participants, the world meeting will only address general topics. Such a limitation of topics is to lead to the largest-possible number of non-communist scientists participating. The tactically smart move of linking the world meeting with the WFSW General Assembly is intended on the one hand to expand influence and on the other to familiarize associations and individuals who are not yet WFSW members with the decisions of the General Assembly and the WFSW's working methods.

Executive Committee Meeting of the "International Union of Students" (IUS) 2)

The IUS Executive Committee held a meeting in Pyongyang from 14 to 16 January 1986, which was attended by representatives of student organizations from about 60 nations and 13 international as well as regional organizations.

The most important task of the meeting was the drafting of the 1986 action program. Special attention should be given to the IUS' intention of becoming more active again in Third World countries. The interconnections between regional and global detente are to become a central theme of propaganda, which will be covered at a number of regional students' meetings planned to be held in Asia, Africa and Latin America. Another highlight of IUS activities will be the preparation of the "World Forum of Education" scheduled for 1986 within the framework of the international IUS campaign for "Education - a Right, not a Privilege", and of events planned to commemorate the establishment of the IUS forty years ago (27 August 1986). Several major forums are planned to be staged in Europe.

IUS activities relating to the disarmament campaign in 1986 will mainly focus on "preventing the militarization of space by the U.S.A.". Another major topic of agitation is going to be the demand to establish nuclear-free zones.

An important factor to keep in mind when analyzing the effectiveness of IUS actions is that IUS currently has national member organizations in about 117 nations, which are tasked to implement the respective IUS action programs at national level.

Consultative Meeting by Leading Functionaries of the World Federation of Trade Unions (WFTU)

The WFTU's Secretariat and affiliate "Trade Union Internationals" 3) convened for a consultative meeting in Prague on 22/23 January 1986. These consultations, held annually, serve to determine the main topics and guidelines of activities by the WFTU and TUIs. The most important outcome of the negotiations is the decision to initiate an international campaign called "Trade Unions and Workers - for Peace and Work" focused on the demand to "prevent the militarization of space" as a contribution to the UN-proclaimed "International Year of Peace".

The 1986 action program of the WFTU will be focused on preparations for the "11th World Congress of Trade Unions" planned to be held in East Berlin in September 1986. Neither the topics on the agenda nor the exact date are known yet. WFTU and the TUIs expect the further preparation of the congress to result in a major increase of cooperation with trade union organizations, especially at national level.

Other topics of discussion were questions of the further coordination of activities of WFTU and TUIs. Interesting in this context is the intention to cooperate even more closely at regional level.

Activities of the Christian Peace Conference (CPC) 4)

The CPC intends to hold a meeting of the Working Council (WC) in Sofia from 3 to 7 March 1986. The WC comprises the president, secretary general and 19 other members elected by the All-Christian Peace Assembly (ACPA), who are supposed to be in the Continuation Committee (CC) at the same time. CPC statutes make the WC responsible for the CPC's day-to-day work between ACPC and CC meetings.

The consultations will focus on the question of how to implement the decisions made at the CPC Presidium meeting in Budapest in December 1985. The chief aim of the CPC continues to be to mobilize Christian circles along the lines of Soviet disarmament conceptions and expand interreligious cooperation in this way.

CPC efforts to expand its influence have led to an observable increase in attempts to take up contacts with non-Christian religions. Important in this connection is a meeting of the CPC leaders with Muslim leaders held at CPC initiative in Prague in early February 1986. Information on the results of the consultations is not available yet.

In the communist disarmament campaign, the CPC only represents Soviet disarmament conceptions that are known already. A special subject of agitation continues to be the demand to convene a "World Assembly of Christianity for Peace" and a "Peace Council". Within the disarmament campaign, cooperation is especially close with the World Peace Council (WPC). In 1986, the CPC will participate in preparing a WPC seminar on the "Role of the Religious Population and its Contribution to the Struggle for Peace", originally planned to be held in 1985.

Sesseion of the World Peace Council's Disarmament Commission

At a session in Geneva on 25/26 January 1986, the WPC Disarmament Commission drafted a working program for further activities.

A comprehensive catalogue of suggestions and means for implementing the WPC action program were discussed at the meeting chaired by Romesh Chandra. The outcome of the consultations has not become known yet.

According to the WPC, the "Year of Peace" must become the "year of the greatest unified mass actions for peace and the prevention of a nuclear inferno". Actions relating to the worldwide campaign for "preventing the militarization of space" are supposed to be intensified considerably. One of the most important items of the adopted action program is the exertion of influence on social strata and vocational groups such as scientists, physicians, pedagogues, artists, lawyers, writers, engineers, etc., who carry weight with the public.

In an appeal, WPC members were called upon to support the dis-

armament proposals forwarded by Michail Gorbachev by launching campaigns at national level.

Special highlights of the WPC action program, which mainly provides for intensifying mass actions within the disarmament campaign, are listed below:

- Unlimited support for mobilizing the public in order to achieve quick, concrete and positive results at U.S.-Soviet talks on space weapons, nuclear medium and long-range weapons on the basis of equal security.

- Staging of another meeting of the WPC Disarmament Commission and the Commission on European Security.

- Arrangements for meetings between WPC delegations and members of the Geneva Disarmament Conference of the UN.

- Holding of tribunals and public hearings on the principles of the UN resolution declaring nuclear war a crime against humanity and violation of interntional law.

- Organizing of an international seminar entitled "For the Peaceful Use of Outer Space", with experts and peace movements attending.

- Convening of a conference on disarmament questions relating to the region of the Indian and Pacific Oceans.

- Delegation visits, conference and other campaigns for supporting the appeals of the six chiefs of state and government of the Nonaligned Movement for stopping the arms race.

- Actions in the vicinity of missile deployment sites and arms factories in order to make the public aware of profits made in the arms business.

- Organizing of hearings (at national level) on the arms build-up being one of the main reasons for poverty, famine, unemployment, inflation and destitution as well as the chief obstacle in the implementation of the new international economic order.

- Unlimited support of an active participation and cooperation in national and regional events, marches, demonstrations, actions and camps near deployment and production sites of nuclear weapons, especially Pershing II and Cruise Missiles, as well as petitions, campaigns, national referenda, Easter marches, political lobbies, memorial guards, peace manifestations, marathons, bicycle races, cruises, conferences, teach-ins, seminars etc., for preventing a nuclear war, freezing and converting the nuclear arms build-up and implementing disarmament.

- Support of the "Treaty - now?" campaign directed at establishing a nuclear-free zone in Scandinavia.

- Efforts to combine such events and activities with the worldwide disarmament campaign of the UN wherever possible.

- Comprehensive campaigns also at national level for celebrating the UN-proclaimed "International Year of Peace" in 1986.

- Support and initiation of legal actions for stopping the deployment of American missiles in Europe, such as those of the women of Greenham Common and numerous American organizations, by emphasizing that such deployments are a violation of international law. In Europe, legal action can be taken where U.S. bases and the deployment of American missiles contravene the constitution of the respective countries.

- Support of disarmament actions by specific interest groups and organizations like those of scientists, physicians, artists and interpreters, writers, members of parliament and eleceted representatives, trade unionists, religious circles, women and youth for preventing a nuclear war, especially solidarity with anti-war actions by women such as those of Greenham Common.

- Support of the international nongovernmental conference for mobilizing the public for the Stockholm Conference for Confidence and Security-Building Measures and Disarmament in Europe.

Information became available here, indicating that a WPC special meeting is going to be held in Sofia from 24 to 27 April 1986, where the new council and other executive bodies of the WPC are to be elected.

Conference of Trade Unions of the Graphic Industries

According to our information, an "International Consultative Conference of Trade Unions of the Graphic Industries" is going to take place in Sofia in May 1986, at which the guidelines for future work are to be determined and the new action program will be drafted. Responsible for preparing the conference is the Standing Committee of Trade Unions of the Graphic Industries headed since June 1985 by Werner Peplowski, president of the East German printing and paper union.

The Standing Committee has maintained the high level of activities observed since early 1985, especially in its efforts to achieve unity of action with non-communist trade union federations. Mainly by expanding cooperation with the non-communist International Graphical Federation (IGF), the Standing Committee tries to cement its influence in Western Europe. Important in this context is the first conference of trade unions of the European graphic industries held at the initiative of the Standing Committee in Vienna in mid-June 1985. The object of the conference was to work out common positions as a basis for joint actions, especially within the framework of the current disarmament campaign. An interesting fact is that the Standing Committee and/or the World Federation of Trade Unions (WFTU) intend to make this meeting a permanent institution. WFTU headquarters in Prague is currently working on the preparations for a second and third meeting of this kind. Details have not become known yet. So far, only one conference of trade unions of the European graphic indiustries has been held. It was the first time that the WFTU succeeded in staging an inter-

national conference together with an organization belonging to the non-communist International Confederation of Free Trade Unions (ICFTU).

By establishing the Standing Committee, the WFTU hoped to unite the persons concerned worldwide and syndicate them in line with the WFTU's attempt to achieve unity of action. Although not a WFTU member, the Standing Committee performs the task of a Trade Union International (TUI) within the WFTU. At international conferences, the Standing Committee acts as an independent consultative body claiming to represent the interests of the graphic industries worldwide and purports to be the organizer, while the WFTU who finances the event and the Soviet committee members who determine the political guidelines remain in the background.

E u r o p e

Activities of the World Federation of Democratic Youth (WFDY) 5)

Youth unemployment is increasingly becoming a central theme of agitation within the Western Europe strategy of the WFDY. Special attention should be paid to the WFDY's intention of mobilizing and winning unemployed persons for the WFDY's political concepts for a first "International Meeting of Unemployed Youth". Date, site and topics of the conference's agenda are not known as yet.

With this meeting, WFDY hopes to enhance its political goal of exerting stronger influence on the unemployment movement in Western Europe. The main purpose is to propagate the close relationship between the struggle for peace, the arms buildup and the struggle against unemployment.

Information available here indicates that the further preparation and organizing of the event will be transferred to a national "Association of Unemployed Youth", which is in line with the WFDY's frequently exercised tactics not to appear as the organizer of such meetings. Associations of unemployed youth are currently active among others in France, Denmark and the Federal Republic of Germany.

We cannot rule out that the WFDY or the Soviet Union is planning to have a permanent institution emerge frome the conference and provide the national associations of unemployed youth that are already existing with a regional organizational structure.

Within the framework of the unemployment campaign, WFDY is cooperating especially closely with the WFTU. Important in this connection is the youth conference on "Life, Work and Education - Young Europeans Standing Side-by-Side" scheduled for this year, which will be organized by the French trade union federation, CGT.

European Student Meeting

A meeting of European students was held in Rostock, GDR, from 6 to

9 February 1986 on the "Struggle for Peace, Social Security and International Solidarity", which was attended by representatives of national students' unions and observers from a total of 22 nations, from five regional and international students' organizations and guests from African and Latin American nations. The purpose of the consultations was to work out common positions as a basis for joint actions. The event, which was held in East Germany for the first time, was organized by the East German Free German Youth (FGY) organization.

Topics on the agenda were activities of the national students' associations since the meeting of the preparatory committee (in Prague in early November 1985) and the drafting of a new action program. Other topics discussed in the three working groups and in plenary sessions were the contribution of national students' organizations to the UN-proclaimed International Year of Peace, the social situation of university students, and questions of unity of action. In future, the disarmament campaign is to award more propaganda to the interrelations between the arms buildup, development and education. Miroslav Stepan, President of the International Union of Students (IUS), called upon the young people of the world to support the extensive disarmament program proposed by Michail Gorbachev on 15 January 1986. Initiated by the East German youth organization, FGY, a special event was held at the sidelines of the students' meeting on "40 years after - never again fascism".

The students' meeting was prepared by an international committee comprising the following national students' associations: Czech students' association CSUV, Soviet students' council, National Students' Council of Bulgaria (NSCB), ZSP (Poland), UASCR (Romania), UNEF (France), SFS (Sweden), SYL (Finland) POFNE (Cyprus), FGY (East Germany), NCHSO (Hungary), and IUS.

IUS and the national students' organizations of Soviet Bloc nations expect the conference and the implementation of the results achieved at the consultations to lead to an increase of their activities and an intensification of their work in Europe.

European students' meetings, held since 1959 at the initiative of the Polish and French students' associations, normally take place once a year alternately in a Western European and Eastern European country. They are of great value for the IUS and students' associations affiliated to it in the drafting and implementation of its action programs and organization of propaganda in Western Europe. Furthermore, such meetings are of considerable importance in the IUS' Western Europe strategy and the establishment of unity of action with noncommunist students' associations.

The Soviet delegation was headed by Alexander Lunkov, chairman of the Soviet Students' Council.

Activities of the Women's International Democratic Federation (WIDF) 6)

Upon initiative of WIDF, an "anti-war month" is going to be held in

March/April 1986 under the motto "preventing the militarization of outer space - peace on earth and in space". Interesting in this connection is the intention of the Soviet women's association to stage a seminar entitled the "School of Peace" for the women's organizations from CSCE nations. A simlar event on "The Role of Women in Public in the Current Anti-War Movement" has already been held in mid-1984 also in Leningrad.

These events are part of WIDF's or Moscow's attempts to expand cooperation between women from Western Europe and the Soviet Bloc nations within the disarmament campaign, improve the coordination of their activities in the European area and eliminate resistance of non-communist women's associations against unity of action.

Furthermore it is intended to discuss a number of questions dealing with the further preparation of the "World Congress of Women" and the "9th WIDF Congress" scheduled to be held in Moscow in June 1987. The Soviets, who are organizing the World Congress, expect that about 2 000 women from all continents are going to attend.

Permanent Committee Meeting of the Workers' Conference of Baltic Countries, Norway and Iceland 7)

Moscow's goal in Europe, on which the WFTU concentrates all its activities in that region, continues to be the exertion of influence on the European labor movement along the lines of Soviet disarmament conceptions.

The permanent Committee of the Workers' Conference of Baltic Countries, Norway and Iceland, an important instrument for exerting political influence within the framework of the WFTU's Western Europe strategy, performs a special task in this context.

A meeting of the Permanent Committee in Rostock, East Germany, on 25 January 1986 was attended by representatives of trade unions from nine countries. The consultations were focused on analyzing work performed since the latest meeting in October 1985 and on determining future tasks. The conferees agreed to hold the next Workers' Conference of Baltic Countries, Norway and Iceland under the headline "Contribution of Trade Unions to the Struggle for Terminating the Arms Race on Earth and Preventing a Nuclear Arms-Buildup in Outer Space" in Rostock on 27/28 June 1986. A special highlight on the agenda will be actions for "preventing a nuclear arms-buildup in space". Other topics to be discussed in forums, among others, are supposed to be trade union initiatives for a chemical-weapons-free zone in Europe, environmental problems and trade union rights in representing the interests of workers.

For the Federal Republic of Germany, Gerhard Siebert, chairman of the national committee for the FR Germany of the Workers' Conference, attend the discussions in Rostock.

Activities of the Trade Union International (TUI) 8) of workers in the Metal Industry

The chairmen of above TUI's European member organizations convened in Moscow on 12/13 January 1986.

The purpose of the meeting was not only to exchange experience and information, but also draft the 1986 working program providing for stepped up influence on the Western European metal workers' trade unions. Work will continue to be concentrated on forming peace committees in enterprises within the framework of the disarmament campaign. A "working group" on the problems of peace and disarmament" has been established in the TUI in order to coordinate these activities. Another major item in the working program is the intensification of bilateral relations between the national metal workers' unions. Interesting in this context are the TUI's efforts to achieve unity of action with metal workers' unions that are members of the International Confederation of Free Trade Unions (ICFTU). Another meeting of this kind is planned to be held in 1987.

According to information available here, East Germany plans to stage the "10th International Occupational Conference of Trade Unions in the Metal Industry" in East Berlin from 19 to 24 October 1986.

The goal the World Federation of Trade Unions (WFTU) continues to strive for in Europe is to influence the European labor movement along the lines of the Soviet disarmament conceptions.

The following are the most important instruments used by the WFTU and associate TUIs to coordinate activities in the European area:
- the European Commission of the WFTU;
- the International Committee for Peace and Disarmament (Dublin Committee);
- the Permanent Committee of the Workers' Conference of Baltic Countries, Norway and Iceland;
- the Platform for a Trade Union Dialogue.

A s i a

7th General Conference of the Asian Buddhist conference for Peace (ABCP) 9)

The ABCP held its 7th general conference in Vientiane, Laos, from 12 to 14 February 1986. It was attended by about 200 delegates from 25 countries and 15 international organizations, including the following communist front organizations:
- World Peace Council (WPC)
- Afro-Asian People's Solidarity Organization (AAPSO)
  + World Federation of Democratic Youth (WFDY)
- Christian Peace Conference (CPC)
- Berlin Conference of European Catholics.

The general conference is the highest of the ABCP executive bodies. It is tasked to elect the members of the executive council, which in turn provides the president, three vice presidents and the secretary general.

In between general conferences and executive council meetings, the International Secretariat is directed by its secretary general.

ABCP activities are directed at mobilizing Buddhists for actions intended to "consolidate peace in Asia". In this way, the ABCP plays an active role in the international peace and disarmament campaign of the communist front organizations.

Chamba-Lama Charchuugijin Gaadan (Mongolia) was re-elected ABCP president. The vice-presidents - the number of vice-presidential positions having been raised from three to five - come from Japan, Vietnam, India, Laos and Sri Lanka. The ABCP executive committee decided to establish a new permanent commission in Sri Lanka, which is to work for "turning the Indian Ocean into a zone of peace".

In a "Declaration of Vientiane", all Buddhists were called upon to support the Soviet program for the elimination of nuclear weapons. Other resolutions demanded the establishment of peace zones and the disbanding of all foreign military bases in Asia and the oceans surrounding it. The adopted action program among other things provides for collecting signatures and holding peace marches and seminars at national and regional level in this context. The ABCP will continue to cooperate closely with the other communist front organizations as well as the Interreligious Working Presidium, which emerged as a permanent institution at the "world conference of religious personalities for saving the sacred gift of life from a nuclear catastrophe" (Moscow, May 1982).

The ABCP currently has 14 national centers in the Soviet Union, Bangladesh, India, Indonesia, Japan, Cambodia, North Korea, Laos, Mongolia, Nepal, Singapur, Sri Lanka, Thailand and Vietnam. But also temples, monasteries and individual persons who endorse the ABCP's statutes are eligible for membership.

L a t i n A m e r i c a

Activities of the Trade Union International (TUI) of Workers in Commerce

Information available here indicates that the Executive Bureau of the TUI of Workers in Commerce is going to convene in Havana from 19 to 25 May 1986. The topics on the agenda have not become known yet. The Executive Bureau at present consists of the following persons:

Janos Vas (Hungary)	President
Avraam Antoniou (Cyprus)	Vice President
Olga Boatcheva (USSR)	Vice President
Michelle Commergnat (France)	Vice President
Maria Hadrabova (Czechoslovakia)	Vice President
Adnan Darwish (Syria)	Member
Romuald Sosnowski (Poland)	Member
Ilie Frunza (Romania)	Secretary General
Alvaro Villamarin (Colombia)	Secretary

Anatoli Morozov ? Secretary

At Cuban invitation, the 3rd Congress of the Latin American Confederation of Workers in Commerce (COLTRAC) is going to be held in Havana also in May 1986. In the Latin American region, COLTRAC performs the tasks of a regional organization of the TUI of Workers in Commerce. It is intended to hold a Latin American seminar of Workers in Commerce at the sidelines of the COLTRAC Congress.

These activities are considered to be part of the TUI's attempts to expand its basis for actions in the Latin American region. Comparable efforts of this TUI to extend its range of action are also observed in Asia and Africa. An "All-African Seminar of Workers in Commerce", initiated by the TUI, is scheduled to be held in Africa this year.

III. Dates of Communist or Communist-Controlled International Events

a) New or Changed Dates

Sofia 03 - 07 Mar 1986	Meeting of the Christian Peace Conference's Working Council
Cuba March 1986	Administrative Committee Meeting of the TUI of Workers in the Chemical Industry
Belgium March or April 1986	International Conference on Sanctions against South Africa; organized by AAPSO
Sofia 24 - 27 April 1986	Special meeting of the WPC
April or May 1986 ?	WPC Council meeting
Havana 19 - 25 May 1986	Executive Committee meeting of the TUI of Workers in Commerce
Sofia May 1986	International Consultative Conference of Trade Unions of the Graphic Industries; organized by the Permanent Committee of Trade Unions of the Graphic Industry
Havana May 1986	3rd Congress of the Association of Workers in Latin American Trade (COLTRAC)
Rostock, GDR 27/28 Jun 1986	Worker's Conference of the Baltic Countries, Norway and Iceland; organized by the Permanent Committee
Moscow 21 - 23 Jul 1986	World Meeting of Scientists on "Science, Technology, Peace";

Moscow 24 - 26 Jul 1986	WFSW General Assembly
Prague November 1986	World Students' Forum on "Education and Society"; organized by IUS; (see also No 12/85)
Leningrad 1986	International Women's Seminar on "School of Peace"; organized by the Soviet women's association
? 1986	International meeting of unemployed youth; organized by an initiative group of the WFDY
? 1986	International seminar on the "Role of the Religious Population and its Contribution to the Struggle for Peace"; organized by WPC
? 1987	Consultative meeting by the chairmen of the European member organizations of the TUI of Workers in the Metal Industry

b) Unchanged Dates

Syria March 1986	6th International Anti-Monopolistic Conference of Trade Unions of Workers in the Petroleum Industry; organized by the Permanent Anti-Monopolistic Action Committee of Petroleum Workers; (see also Int. Comm. No 4/85)
Brazzaville April 1966	International Conference on "Peace and Development in Africa"; organized by AAPSO; (see also Int. Comm. No 7/85)
Vienna June 1986	International seminar on "Housing Construction - Disarmament - Employment"; organized by the TUI of Building, Wood and Building Materials Industry; (see also Int. Comm. No 11/85)
Copenhagen Aug or Oct 1986	International Conference on Peace Education; organized by "Teachers for Peace"; (see also Int. Comm. No 12/85)
East Berlin September 1986	11th WFTU Congress (see also Int. Comm. No 10/84)
Copenhagen 15 - 19 Oct 1986	World Peace Congress; organized by WPC; (see also Int. Comm. No 7/85)
Sofia October 1986	10th IOJ Congress; (see also Int. Comm. Nos 8 and 9/85)

Budapest November 1986	12th WFDY General Assembly (see also Int. Comm. No 11/85)
Vienna Early December 1986	World Meeting of War Veterans for Disarmament; organized by the Coordinating Committee; (see also Int. Comm. No 5/85)
Athens December 1986	International Conference of European and North American Anti-War Movements; organized by the Movement for National Independence, World Peace and Disarmament (KEADEA); (see also Int. Comm. No 11/85)
Dublin May 1986	World Trade Union Conference on the Social and Economic Aspects of Disarmament; organized by the Dublin Committee; (see also Int. Comm. No 6/85)
?	European Youth Conference on "Life, Work and Education - Young Europeans Standing Side by Side"; organized by the French trade union confederation CGT
Brussels 1986	International Colloquium on the Dangers of an Arms Race in Outer Space; organized by IADL; (see also Int. Comm. No 11/85)
New Delhi 1986 or 1987	International Symposium on Problems in the Efficient Employment of Science and Technology in Developing Countries; organized by WFSW; (see also Int. Comm. No 10/85)
?	International Forum for Security and Cooperation in the Pacific and Asian Region; organized by WPC; (see also Int. Comm. No 11/85)
?	Conference by Journalists of the six Frontline nations, Lesotho, Nigeria, ANC and SWAPO on "The Role of Journalists in the Struggle for Peace and Development and against Apartheid and Colonialism in Southern Africa; organized by IOJ; (see also Int. Comm. No 12/85)
1986 or 1987	International Conference of Miners and Energy Workers for Peace and Disarmament; organized by the International Organization of Miners (IOM); (see also Int. Comm. No 10/85)
?	International Trade Union Conference on the "Debt Crisis"; organized by WFTU; (see also Int. Comm. No 12/85)

East Berlin July 1986	Consultative meeting of all communist front organizations;
?	International conference on a "new international information order"; organized by AAPSO; (see also Int. Comm. No 11/85)
Athens Spring 1987	10th Regular congress of FIR; (see also Int. Comm. No 11/84)
Moscow June 1987	World Women's Congress; organized by WIDF; (see also Int. Comm. No 12/85)
Moscow June 1987	9th WIDF Congress; (see also Int. Comm. No 12/85)

Footnotes:

1) For WFSW, see Int. Comm. 10/85

2) For IUS, see Int. Comm. Nos 8 and 9/85

3) Currently there are eleven TUIs comprising all industrial, professional and trade branches represented in the WFTU. TUI membership is open to national trade union organizations of the respective professional branch. The TUIs, headed by their own executive bodies, purport to deal autonomously with questions relating to their professional groups - a position that yields tactical advantages mainly in negotiations with international organizations (eg ILO). The WFTU statutes, however, reveal that the TUIs are subject to WFTU control in that each TUI only is an advisory member of the WFTU Executive Committee and has to coordinate its initiatives and activities with the WFTU Secretariat. The WFTU uses TUIs to establish contacts with non-communist trade unions, for which common vocational interests offer favorable preconditions.

4) For CPC, see Int. Comm. No 12/85

5) The Budapest-headquartered WFDY was founded in 1945 and at present consists of about 150 million young people from about 170 youth organizations in 130 countries. Owing to its tasks and aims, it is regarded as a typical communist front organization. The executive bodies of the WFDY are the General Assembly, the Executive Committee and the Bureau. WFDY is a member of the WPC Presidium. Its President is Walid Masri (Lebanon), General Secretary is Vilmos Cserveny (Hungary).

6) For WIDF, see Int. Comm. No 12/85

7) The Workers' Conference of the Baltic Countries, Norway and

Iceland, held annually since 1958 in Rostock, East Germany, was originally created for supporting the campaign for recognition of the GDR. Upon initiative of the Soviet trade unions, workers' conferences have in the past years also taken place in Leningrad, Tallin, Gdansk and Gilleleje, Denmark. Responsible for implementing decisions and coordinating the activities of national committees in between workers' conferences is the Permanent Committee or its international Secretariat.

The Permanent Committee, which is active at the regional level as indicated by its name, plays an important role in the WFTU's Western Europe strategy. Although formally controlled by the GDR and not the WFTU, it has more and more been used as an instrument for enhancing the WFTU's Europe conception. There are close working links between WFTU executives and the Permanent Committee.

8) The TUI currently has a total of 22 million members from 43 nations, joined together in 60 organizations. Since 1978, its headquarters has been in Moscow. The TUI's president is Reinhard Sommer (GDR), a presidium member of the East German Free German Trade Union Federation's national board and chairman of the metal union's central board.

9) The ABCP (Asian Buddhist Conference for Peace) is a movement of "progressive" Buddhists, comparable to the CPC and BC active since 1969. It was formed during the Vietnam campaign of the communist front organizations.
ABCP is considered to be a communist front organization.

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02 December 1985

Supplementary Report on International Communism

TgbNr.: 902/85 VS-V

Subject	:	Activities of the Soviet-Controlled International Front Organizations No 11/85
Period Covered	:	November 1985
Summary	:	See Table of Contents and General

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Table of Contents

I. General

During the reporting period, propaganda and agitation of the communist front organizations were still focused on disarmament, South Africa, Central America, the Middle East, and the 40th anniversary of the Nuremberg war crime trials. A number of events were used to work out action programs for 1986 and prepare international campaigns and events. The central topic of propagandist activities and action programs of the communist front organizations obviously is "preventing the militarization of outer space by the U.S.A." This worldwide campaign, conducted on all levels of influence, will probably reach a first climax in the "Year of Peace" (1986).

The executive committee meeting of the World Federation of Democratic Youth (WFDY) in East Berlin, where among other things new initiatives in the disarmament campaign and the 1986 action program were discussed, was the most significant event during the period under review. In 1986, the chief purpose of the WFDY's activities will again be to mobilize and influence young people. As with all communist front organizations, its political and propagandist guidelines are in keeping with Soviet foreign policy goals.

The World Federation of Trade Unions (WFTU) will increasingly concentrate its activities on further preparing the "World Trade Union Conference on the Social and Economic Aspects of Disarmament" scheduled to be held in Dublin in May 1986, which the Dublin Committee has been tasked to organize. In addition to chiefly influencing the Western European trade union movement along the lines of Soviet disarmament conceptions, the conference is intended to establish closer relations and/or unity of action with non-communist trade union federations within the framework of the disarmament campaign. At present, the Dublin Committee is the most active and influential of the WFTU's cover organizations. It purports to be independent of Moscow, but in fact is the most important control and coordinating body of the WFTU, and thus Soviet Union, for exerting influence on non-communist labor movements within the current Soviet disarmament campaign on a worldwide scale.

Special attention should be devoted to the WFTU's intention of establishing an "International Center for Trade Union Rights", which is to deal mainly with purported violations of the rights of trade unions by governments and transnational companies. Like the WFTU's legal commission and the communist-controlled International Association of Democratic Lawyers (IADL), this body will naturally condemn only those violations which the WFTU considers as such and which are defined as "injustices" in the argumentation of communist ideology.

A preparatory meeting for an "International Forum of Security and Cooperation in the Pacific and Asian Areas" took place in Sydney within the framework of the campaign for convening an "Asian peace conference" comparable to the CSCE, something Gorbachev had called for during Gandhi's visit to Moscow in May 1985.

II. Events and Activities

W o r l d w i d e

Executive Committee Meeting of the World Federation of Democratic Youth (WFDY*)

The WFDY executive committee held a meeting in East Berlin from 08 - 10 November 1985, which was attended by representatives of 77 countries. The consultations focused on new initiatives in the peace and disarmament campaign of the communist front organizations and the drafting of the 1986 action program.

The WFDY will continue to concentrate its work on mobilizing and influencing young people. As with all communist front organizations, its political and propagandist guidelines correspond to Soviet foreign-policy goals.

An important decision made at the conference was to hold the 12th general assembly of WFDY member organizations in Budapest in November 1986. The event will be organized by the Hungarian youth organization, KISZ. The general assembly, held every fourth year, will be attended by representatives of all WFDY member organizations. It "elects" the president, secretary general, deputy secretary general, executive committee, treasurer, and the auditing commission.

The adopted action program, which has not become known in detail yet, will have the "International Year of Peace" (1986) as the central topic. The main targets of agitation are "prevention of the militarization of outer space by the U.S.A.", "elimination of nuclear armaments" and the "imperialist policy of confrontation and crusades". The WFDY campaigns entitled "Hands off Nicaragua"

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*) The Budapest-headquartered WFDY, established in 1945, currently has about 150 million young members. Judging by its goals and tasks, it is a classic communist front organization. Leading bodies of the WFDY are the general assembly, executive committee, and the WFDY bureau. It is a member of the World Peace Council presidium. WFDY president is Walid Masri (Lebanon), and secretary general is Vilmos Cserveny (Hungary).

and "Young People - Be united in Combat! Peace is our Foremost Human Right" are planned to be continued. The executive committee furthermore decided to launch a worldwide campaign against South Africa, the main demand of which is to be the release of ANC leader Nelson Mandela. A delegation of ANC youths is to travel to the U.S.A. upon the initiative of the WFDY in order to talk to UN bodies about the contents and goals of their activities.

In judging the effectiveness of WFDY actions, it is important to consider that it currently has about 270 member organizations in 115 countries on all continents, which are tasked to implement the respective action programs of the WFDY at national level.

The Soviet delegation was headed by V.A. Aksenov, chairman of the Soviet committee of youth organizations.

International Center for Trade Union Rights

The World Federation of Trade Unions (WFTU) intends to establish an "international center for trade union rights", which is to deal mainly with purported violations of the rights of trade unions on the part of governments and transnational companies.

The principal task of the new organization will be to render the strategy of the WFTU more effective by studying topical problems and general legal questions. Its work is to focus on the

- Collection and analysis of material on cases where the rights of trade unions were violated;
- Support of WFTU work in the International Labor Organization;
- Organizing of meetings in countries where there have been specific cases of violation of trade unions' rights;
- Close cooperation with the human rights commission of the UN.

The center will be controlled and administrated by the legal commission active in the WFTU since 1975. The establishment of this institution is intended to step up cooperation between trade

unions in the field of monopolist groups and on the level of multinational companies, especially cooperation between trade unions in enterprises of the same multinational company.

The "International Center for Trade Union Rights", like the WFTU's legal commission and the communist-controlled "International Association of Democratic Lawyers", will only condemn what the WFTU regards as "violations" in the communist sense and what is considered unjust by its own ideological standards.

International Seminar on "Housing Construction - Disarmament - Employment"

Information available here indicates that an international seminar on "Housing construction - Disarmament - Employment" is going to be held in Vienna in June 1986 upon the initiative of the communist-controlled "Trade Unions International of Workers of the Building, Wood and Building Materials Industries" (TUI*). The decision to stage this seminar was made at a session of the TUI's administrative committee in Larnaka, Cyprus, in late October 1985.

A chief task of the event will be to establish closer relations with non-communist trade union federations in this field and determine concurring standpoints as a basis for joint actions while at the same time covering up communist goals.

This corresponds to the tactical line of the World Federation of Trade Unions (WFTU), which intends to achieve labor unity of action within the framework of the disarmament campaign by emphasizing the importance of more intensive relations between trade unions of different industrial sectors rather than between the large national trade union federations.

*) The TUI of Workers of the Building, Wood and Building Materials Industries with headquarters in Helsinki currently comprises national member organizations from 57 countries. Its president is Lothar Lindner (GDR), secretary general is Mauri Perae (Finland). (See also No 4/85)

This method, however, proved to be too slow and too difficult. The main advantage for the WFTU is that the structure of the TUIs facilitates the establishing of contacts to trade unions of different political directions with the WFTU remaining in the background.

International events with the same intentions are also held by other TUIs. Important in this connection is the conference of graphics trade unions in Europe, which was also staged in Vienna (June 1985).

The consultative meeting in Larnaka was among others attended by Lothar Lindner (East Germany), president of the TUI and chairman of the executive board of the building/wood trade union in the Free German Trade Union Federation of the GDR.

Expansion of Media Activities by the Afro-Asian People's Solidarity Organization (AAPSO*)

In trying to improve the working conditions and prepare actions in the countries of Asia and Africa, AAPSO intends to expand its publication activities. According to information available here, the AAPSO executive committee is working on the publication of a political journal. It furthermore plans to bring out publications on important international topics in the future.

Of special importance is AAPSO's intention to convene an international conference as part of the campaign for "eliminating colonialist predominance in the worldwide dissemination of news through the news-agency monopoly of the Western industrialized countries" and for the establishment of a new international information order. It is not known yet when and where the conference is going to take place and what the topics on the agenda will be.

A special highlight of AAPSO's action program currently is the expansion of the training program for journalists from Afro-Asian countries. It is interesting to note that there is in-

*) For AAPSO, see Int. Comm. No 10/85

creasing cooperation between AAPSO and IOJ in training cadres of journalists at IOJ schools and in staging local courses as well as in the field of publications. At present, there are IOJ schools in East Berlin, Prague, Budapest, Sofia, Havana, Bagdhad and Pyongyang. The training programs for journalists from Asia and Africa are to be financed from an international fund that will be set up.

In the "International Year of Peace", cooperation with the UN and UNESCO is to be extended in the field of publications.

Bureau Meeting of the International Federation of Teachers' Unions (FISE*)

FISE held a bureau meeting in Moscow in mid-November 1985. The consultations were concentrated on the further implementation of decisions made at the 13th FISE conference (Sofia, May 1985) and on the drafting of the 1986 action program. Another point of discussion was the closer integration on non-communist teachers' unions into the current disarmament campaign. In future, agitation is to place more emphasis on the interrelations between armament and the problems of education, development, science and culture. FISE established a commission called "Peace and Disarmament" for coordinating these activities.

*) The communist-controlled FISE (international abbrevation for Fédération Internationale Syndicale de l'Enseignement) was integrated into the World Federation of Trade Unions (WFTU) as one of the eleven Trade Unions Internationals (TUIs). It holds a special position among the TUIs and, in practice, is more independent of WFTU control because of historical reasons and its members' qualifications. FISE is not a mere trade union association but has some characteristics of a vocational organization with almost the same standing as other independent communist front organizations. At present, 121 organizations totalling about 25 million members from 85 countries are affiliated to FISE, which, after 27 years in Prague, moved its headquarters to East Berlin in July 1977 at the express invitation of the East German authorities, which argued that the TUI of Public and Allied Employees and FISE ought to operate from the same base. FISE president is Lesturuge Ariyawansa (Sri Lanka)

In addition, FISE concentrates its work on further improving cooperation and unity of action with non-communist teachers' associations such as the World Confederation of Organizations of the Teaching Profession (CMOPE), the International Federation of Free Teachers' Unions (SPIE) and the World Confederation of Teachers (CSME). Although FISE in this report is flexible enough to adjust to different situations and opinions without trivializing or completely ignoring stances on certain basic questions, its efforts have not yielded much success yet.

For activities at international level, FISE uses the Internationa Teachers Trade Union Cooperation Committee (CICSE) (established by FISE) as a "neutral" platform. An important task of this cover organization is to establish links to non-communist teachers associations while covering up communist goals. An interesting item is that FISE, CMOPE, SPIE and CSME met in Amsterdam in February 1985 at the initiative of CICSE in order to discuss joint actions of the four organizations in the International Labor Organization (ILO) and UNESCO for enhancing the demands of teachers as well as specific measures of teachers to contribute to solving the disarmament problem.

Activities of the International Federation of Resistance Movements (FIR*)

An international consultative meeting on "40th Anniversary of Victory and Liberation of Europe from the Yoke of Fascism" is being held in Geneva in mid-December 1985 upon the initiative of FIR, which will be attended by representatives from organizations of the resistance movement, of anti-fascists, lawyers and historians.

*) FIR, established in 1951, must be regarded as a communist front organization of the classic type in terms of its aims, tasks and the personnel in its executive bodies. Headquartered in Vienna, it currently comprises 66 organizations from 24 European countrie and Israel.

Special highlights of the agenda are

- "Struggle of the peoples against Nazi aggressors" and
- "Uncovering of war crimes and crimes against humanity."

It is assumed here that this event is the international symposium on "Nazi and Fascist Ideologies and Their Propaganda" scheduled to be held in Geneva on 10 - 12 December 1985, which is currently being prepared by the Special NGO Human Rights Committee in close cooperation with FIR.

These activities are part of FIR's attempts to achieve closer cooperation with non-communist NGOs within the framework of the UN system. As a nongovernmental organization of the UN, FIR has consultative status with the Economic and Social Council of the UN (ECOSOC) and special status with the UN organization for education, science and culture (UNESCO). It also plays an active role in the disarmament committee in Geneva.

Information on the results of the FIR bureau meeting held in Nuremberg on 25/26 November 1985 is not available yet. We refer to the December edition of this report.

α <u>Activities of the International Association of Democratic Lawyers (IADL*)</u>

The secretariat of communist-controlled IADL held a meeting in Warsaw in early November 1985. Some of the topics of the agenda were cooperation with lawyers' organizations at national level and questions of IADL work in UN bodies.

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*) In terms of its aims and tasks as well as the composition of its directing bodies, the Brussels-headquartered IADL is a communist front organization of the classic type. With its high professional ~~expertise~~ and specialization, IADL is preferably employed ~~in a supporting~~ role for the other front organizations. ~~Its chief purpose~~ is to ~~render~~ the strategy of the communist front organizations more effective by studying ~~current~~ problems, situations and incidents as well as general legal issues, and by providing legal advisers and, in the case of court action, attorneys and defense lawyers. Actual or supposed violations of the law, however, are only castigated where the perpetrator is an opponent of the Soviet Union or where interests of the Soviet Union are affected.

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An interesting fact in this connection is that IADL was elected to the executive board at the general assembly of the "Conference of Non-Governmental Organizations in Consultative Status with the Economic and Social Council of the United Nations" (ECOSOC), abbreviated to CONGO, whereas other communist front organizations like the World Peace Council (WPC), World Federation of Democrati Youth (WFDY) and International Union of Students (IUS) were defeated and will not be on the NGO board for the next three years. CONGO has become an important center for agitation of the communist front organizations recently. The General Assembly is the highest CONGO body. It normally convenes every three years and is tasked to discuss activities conducted since the last meeting as well as make recommendations on future work.

The political instrumentalization of the UN system continues to be of special importance for the communist front organizations, mainly in relation to their activities directed at Third World countries. They systematically try to exploit UN initiatives for their own goals or to employ the name and financial funds of the UN for their own actions.

Through its active role in the CONGO board, IADL should be able to acquaint board circles of the international public with its goals and activities. Furthermore, CONGO is important for IADL in developing contacts to other sectors of the UN system and participating in intergovernmental conferences held under the auspices of the UN General Assembly. Another predominant task of IADL will also be to represent the interests of WPC, WFDY, and IUS in the CONGO board.

The activities within the current peace and disarmament campaign of the communist front organizations were another point of discussion at the secretariat meeting. Special importance is attache to IADL's intention of holding an international colloquium on the perils of an arms race in space in Brussels in 1986. Being IADL's contribution to the International Year of Peace (1986), the event is supposed to influence lawyers, an especially important group of "multipliers", along the lines of Soviet disarmament conceptions.

E u r o p e

9th Plenary Session of the Berlin Conference of European Catholics (BC*)

The BC held its 9th plenary session in Erfurt, East Germany, from 15 to 17 November 1985 under the motto "Christian Testimony - Having Mankind - Preserving the Creation. Peace on Earth and in Outer Space". It was attended by 230 delegates from 24 European countries, by observers from Ecuador, Chile, El Salvador, Haiti, Mexico, Nicaragua, Paraguay, the Philippines, the U.S.A., as well as the World Peace Council and the Christian Peace Conference.

The consultations in three working groups were focused on the BC's contribution to the UN-proclaimed Year of Peace (1986) and on the drafting of an action program, which mainly provides for expanding activities in the campaign for "preventing the militarization of space by the U.S.A.". Information on the specific results of the meetings is not available yet.

The BC's main purpose still is to make Catholics perceptive and mobilize them for Soviet policies. It considers itself a Catholic peace movement on a progressive basis, which sees its political task in providing the political commitment of "progressive" Catholics with the necessary momentum. In a final document, the conferees declared that it was absolutely imperative for all peace forces to combine their efforts. "It is the prime obligation of Christians, together with all peace forces, to save mankind from being destroyed by a nuclear catastrophe."

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*) The BC, headquartered in East Berlin, was formed in Prague in June 1964 during the 2nd All-Christian Peace Conference (CPC). It comprises pro-regime church functionaries of the Soviet Bloc countries and leftist Catholic groups in Western Europe. Following the model of the CPC, which tries to win Protestant and Orthodox Christians for communist political goals, the BC tries to do the same in the Catholics world, where a communist-controlled organization of this type had not existed before.

The first-time attendance of a large number of guests from Latin America, the U.S.A. and the Philippines is part of the BC's attempts to expand its influence so far confined mainly to the Soviet Bloc and Catholic sympathizers in Western Europe, and win members worldwide. We expect that the BC will shortly change its name to make it more adequate for these activities.
The East German clergy continues to keep aloof of the BC, whose communist objectives are easy to see. Cardinal Bengsch once called the BC a "Trojan horse" that tries to undermine the Church from inside. Official Roman authorities are also very much reserved toward the BC.

International Conference of European and Northern American Anti-War Movements

Information available here indicates that an "International Conference of European and Northern American Anti-War Movements" is scheduled to be held in Athens in December 1986. The event will be prepared and organized by the Greek "Movement for National Independence, World Peace and Disarmament" (KEADEA).

This conference is a follow-up of the "International Conference of Anti-War Movements in Europe and Northern America" recently held in Helsinki.

Such events are almost perfect for the World Peace Council, which will not openly participate in the conference preparations for optical reasons, to acquaint non-communist participants with its own political positions and intentions with the aid of the peace committees of the Soviet Bloc countries.

Meeting of the Dublin Committee

It became known only now that the "International Trade Union Committee for Peace and Disarmament" (Dublin Committee*) held a

*) The Comittee emerged as a standing institution from the World Trade Union Conference on the Social and Economic Aspects of Disarmament". The committee it tasked to coordinate the actions of trade unions within the disarmament campaign, exert increased influence on non-communist trade union organizations along the line of Soviet disarmament conceptions, and win their cooperation. The founding session of the committee took place in Dublin in May 1982. It currently comprises 2,850 trade union representatives from 29 countries such as the Soviet Union, Czechoslovakia, East Germany, Bulgaria, Great Britain, Hungary, the U.S.A., Portugal, Japan, Denmark, Italy, Austria, and the World Federation of Trade Unions.

regional meeting in Helsinki on 19/20 October 1985, which was attended by about 60 representatives of labor organizations from the Soviet Union, Denmark, Sweden, Norway and Finland.

The discussions focused on questions of closer integration and stronger exertion of influence on the northern European labor movement in the current campaign for the establishment of a nuclear-free zone in northern Europe. Another item on the agenda was the preparation of a "trade union conference in the Baltic region" by the Permanent Committee of the Workers' Conference of Baltic countries, Norway and Iceland, where the contribution of trade unions to the establishment of a nuclear-free northern Europe and a corridor free of theater weapons between NATO and the Warsaw Treaty signatories is to be discussed.

The delegates decided to improve the coordination and timing of their activities. They agreed to try and influence public opinion and the policies of northern European governments along the lines of Soviet disarmament plans by expanding their contacts and intensifying the dialogue. At the end of the meeting, a declaration was adopted which calls for the conclusion of an international agreement on the creation of a nuclear-free zone in northern Europe by the governments in this area in 1986.

The Dublin Committee and the World Federation of Trade Unions hope to step up their activities and publicity as well as their influence on the international labor movement with the aid of such meetings. Regional events of this type have been held in New Delhi, Nicosia and Toronto. Interesting in this connection is the intention of the Dublin Committee to stage a second "World Trade Union Conference on the Social and Economic Aspects of Disarmament" in Ireland in May 1986.

At present, the Dublin Committee is the most active and influential of the WFTU's cover organizations. It purports to be independent of Moscow, but in reality it is the most important controlling and coordinating organization of the Soviet Union and the WFTU in influencing the non-communist labor movement within the current disarmament campaign at international level.

International Seminar on European Security and Cooperation

Initiated by the International Committee for European Security and Cooperation (ICESC*), an international seminar was held in Brussels on 15/16 November 1985 with delegates of 24 national and international organizations from approximately 20 countries attending.

Topics of discussion were the further mobilization and influencing of the Western European public as well as the coordination of future activities. Information on the consultations, especially the drafted action program, is not available yet.

This event is an obvious sign that the ICESC has begun to step up its activities after a longer phase of exercising propagandist restraint. It seems that tensions in the relationship between the Soviet committee for European security and cooperation and the ICESC have been eliminated. In the past, groups within the ICESC have tried to separate their activities more from those of the World Peace Council. They believe that too intensive links to the WPC would endanger their independence and operational autonomy.

The ICESC called upon the European public to work for the following goals:

- Achieving a balanced development of all aspects of the CSCE process toward equal security and successful cooperation of all countries in all areas;
- Holding constructive negotiations in Stockholm, Geneva, and Vienna, which lead to agreements acceptable to all nations and also lay down international control measures;

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*) The ICESC, which has a network of national committees and groups in numerous European countries, emerged as a standing institution at the first Forum of the European Public held at the initiative of the WPC in Brussels in June 1972 with almost all communist parties attending. It considers itself a "normal-political" organization for monitoring the implementation of the CSCE results. The ICESC is headquartered in Brussels.

- Immediately freezing, reducing and presently eliminating nuclear weapons;
- Respecting existing treaties and agreements, mainly the ABM treaty of 1972;
- Committing nuclear powers to refraining from the first use of nuclear weapons;
- Concluding a treaty banning the use or threatening with the use of force in intergovernmental relations;
- Terminating the deployment of nuclear missiles in the Western and Eastern parts of Europe as a first step toward their total elimination;
- Substantially reducing what is known as the conventional forces and armaments in Europe;
- Achieving a peaceful use of outer space and preventing the "militarization of space";
- Creating nuclear-free zones in Europe and a security zone;
- Banning and eliminating chemical weapons;
- Reducing military budgets and using those financial funds for development and social progress.

The East German Committee for European Security and Cooperation was represented by a delegation headed by vice president Prof. Dr. Georg Grasnick.

<u>International Conference on New Developments and Contradictions of State Monopolist Capitalism</u>

At the initiative of the multilateral problem commission called "Research into Modern Capitalism" of the Soviet Bloc Academies of Sciences, an international scientific conference on "State Monopolist Capitalism in the 1980s - New Developments and Contradictions" was held in East Berlin from 11 - 13 November 1985. It was attended by representatives of communist parties from Belgium, West Germany, Denmark, Finland, France, Greece, Italy,

the Netherlands, Norway, Austria, Portugal, Sweden, Spain, Bulgaria, Hungary, East Germany, Poland, Romania, USSR, and Czechoslovakia. The event was organized by the East German "Institute for International Politics and Economics".
The following subjects were discussed in three working groups:

- Use of scientific-technological progress for profit and power in state-monopolist capitalism;
- Role of the military-industrial complex and armament;
- Role of the working class.

The main lecture on the economic, political and social effects of the imperialist strategy of adaption in the 1980s was delivere by Prof. Dr. Max Schmidt, director of the East German institute. The results of the consultations have not become known yet.

A f r i c a

International Conference of Merchant Seamen and Dock Workers' Trade Unions

A two-day international trade union conference on joint actions against South Africa was terminated on 01 November 1985 in London. Responsible for the preparation and organization of the event, which was attended by representatives of merchant seamen and dock workers' unions from about 30 countries, was the association of "Merchant Seamen Unions Against Apartheid" (MUAA). Among the organizations preparing the conference were the communist-controlled Trade Unions International of Transport, Dock and Fishery Workers as well as the Dublin Committee (*), the cover organization of the World Federation of Trade Unions. An important fact in this connection is that the chairman of MUAA, Jim Slater, secretary general of the national union of merchant seamen of Great Britain, at the same time is the vice president of the Dublin Committee. The MUAA also comprises the Danish and Australian merchant seamen unions, which are both members of the TUI of transport, dock and fishery workers.

*) See also p. 15

The discussions focused on closer integration of merchant seamen and dock workers' unions into the current South Africa campaign and the oil embargo against South Africa. The conferees established a permanent coordinating committee for implementing the decisions made at the conference. It will be tasked to collect every piece of information on oil transports to South Africa and start corresponding measures. Details of the action program are not known yet. The members of the coordinating committee are representatives of the most important seafaring nations.

A final declaration called upon the merchant seamen and dock workers' unions to boycott all ships transporting oil to South Africa.

A s i a

Conference for Peace in the Pacifis and Asia

In late October 1985, a three-day "Conference for Peace in the Pacific and Asia Areas" took place in Sydney. It was attended by about 300 delegates from 24 nations such as the Soviet Union, East Germany, U.S.A., Japan, New Zealand, and Vietnam. The discussions focused on the contribution of peace forces in that area to "preventing a nuclear war and to international and regional security, cooperation and social progress". Corresponding to the tactics frequently exercised by the World Peace Council, the preparation and organization of the conference was not conducted by the WPC itself, but by an initiating committee of the Australian peace movement, chaired by Ernie Boatswain, co-chairman of the Australian peace council and a member of the WPC presidium. Among the topics discussed in plenum and in six commissions were

- A comprehensive nuclear teststop and ban of all nuclear weapons
- Prevention of the militarization of space by the U.S.A.;
- Implementation of the principle of peaceful coexistence;
- Creation of nuclear-free zones.

The WPC did not conduct this carefully prepared conference only for propaganda reasons, but mainly in order to reorganize and expand its relations to the Asian peace movement. The chief intention is to intensify the activities of the national committees whose prime task will be to help influence public opinion and the state policies of the respective countries along the lines of the Soviet policy toward Asia.

We learned that the WPC considers the conference a first step toward the convening of an "International Forum for Security and Cooperation in the Pacific and Asian Areas", which, in the opinion of the WPC, is to be attended by representatives of peace organizations from all countries in the region.

The conference closed with the adoption of a declaration demandin among other things the disbanding of all foreign military bases in the Pacific and Indian Ocean, the establishment of nuclear-free zones and the discontinuation of all nuclear testing in the region. It is not yet known to what extent the intention of the WPC to establish a "permanent institution" under its control at the conference has materialized.

The importance of the conference for Moscow is emphasized by the fact that the consultations were attended by a Soviet delegation headed by Oleg S. Kharkhardin, 1st deputy chairman of the Soviet peace committee and secretary general of the "International Liaison Forum of Peace Forces" (ILF). Kharkhardin, a key figure in the Soviet campaign management, is also responsible for the international peace movement in the International Department of the CPSU's CC. The delegation from East Germany was headed by Prof. Dr. Günther Drefahl, president of the East German Peace Council and vice president of the WPC.

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III. DATES OF COMMUNIST OR COMMUNIST-CONTROLLED INTERNATIONAL EVENTS

a) New or Changed Dates

Copenhagen 14 - 16 Dec 1985	Preparatory meeting for the World Peace Congress, organized by the WPC
Vienna June 1986	International seminar on "Housing Construction - Disarmament - Employment"; organized by TUI of Building, Wood and Building Materials Industries
Budapest November 1986	12th general assembly of the World Federation of Democratic Youth
Brussels 1986	International colloquium on the hazards of an arms race in space; organized by IADL
Athens December 1986	International conference of the European and North American anti-war movements; organized by the Movement for National Independence, World Peace and Disarmament (KEADEA);
?	International conference on the "New International Information Order" organized by AAPSO
?	International Forum for Security and Cooperation in the Pacific and Asia; organized by the WPC

b) Unchanged Dates

Moscow Fall 1985	Meeting of the WFSW's Socioeconomic Committee (see also Int. Comm. No 6/85)

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Prague 28 Nov - 02 Dec 1985	WIDF Council Meeting
Addis Ababa December 1985	Pan-African trade union conference on "Development"; organized by WFTU and AAPSO
? December 1985	International trade union conference on "Guest Workers"; organized by WFTU
New York 1985	Meeting of the International Trade Union Committee for Peace and Disarmament (Dublin Committee); (see also Int. Comm. No 7/85)
Moscow 1985	Meeting of the WFSW Executive Council; (see also Int. Comm. No 5/85
? 1985	International conference on "New Technology - Consequences for Jobs and Solutions by Trade Uions"; organized by "European Dialogue"; (see also Int. Comm. No 5/85)
? 1985	International conference for demilitarizing the Indian Ocean and converting it into a zone of peace; organized by AAPSO; (see also Int. Comm. No 10/84)
? 1985	International trade union conference on "Preventing the Militarization of Outer Space"; organized by WFTU (see also Int. Comm. Nos 8 and 9/85)
? 1985	European trade union conference of the TUI of Workers in Commerce for Disarmament and Against Transnational Companies (see also Int. Comm. 4/85)

Warsaw 16 - 19 Jan 1986	World congress of intellectuals for defending a peaceful future for the world; (see also Int. Comm. 10/85)
Cairo Mid-January 1986	Extraordinary AAPSO meeting; (see also Int. Comm. Nos 8 and 9/85)
Sofia Early 1986	Symposium on "Christians and Marxists Discussing Peace"; organized by the International Institute for Peace
? 1986	Arab trade union conference on "Oil Glut and Development"; organized by WFTU; (see also Int. Comm. Nos 1 and 2/85)
Syria March 1986	6th International Anti-Monopolistic Conference of TUIs of Workers in the Petroleum Industry; organized by the Permanent Anti-Monopolistic Action Committee of Petroleum Workers; (see also Int. Comm. No 4/85)
Brazzaville April 1986	International Conference on "Peace an Development in Africa"; organized by AAPSO; (see also Int. Comm. No 7/85)
Moscow July 1986	General Assembly of WFSW; (see also Int. Comm. No 10/85)
Moscow July 1986	International meeting on "Participation of Scientists in the Struggle for Peace and Disarmament"; organized by WFSW; (see also No 10/85)
East Berlin September 1986	11th WFTU Congress (see also No 10/84)
Copenhagen 15 - 19 October 1986	World Peace Congress; organized by WPC (see also No 7/85)

Sofia October 1986	10th ICJ Congress; (see also Nos 8 and 9/85)
? Early December 1986	World Meeting of War Veterans for Disarmament; (see also No 5/85)
Dublin May 1986	World Trade Union Conference on the Social and Economic Aspects of Disarmament; organized by the Dublin Committee; (see also No 6/85)
?	European youth conference on "Life, Work and Education - Young Europeans are Standing Side by Side"; organized by the French trade union association CGT; (see also No 10/85)
? 1986	European meeting of young peace fighters; initiated by the Bulgarian Dimitrov Komsomol; (see also No 6/85)
New Delhi 1986 or 1987	International symposium on problems with the rational application of science and technology in developing countries; organized by WFSW; (see also No 10/85)
? 1986 or 1987	International conference of miners and energy workers for peace and disarmament; organized by the International Organizatic of Miners; (see also No 10/85)
? New Delhi	Conference of Asian and African writers; organized by the Permanent Bureau of Afro-Asian Writers (AAWPB); (see also No 6/85)
Athens Spring 1987	10th regular congress of FIR; (see also No 11/84)

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05 Feb 1987

SUPPLEMENTARY POLITICAL REPORT

TgbNr. 1102/87 VS-V

Subject : Romania -
Personality Information About Ion ILIESCU

Cutoff Date : Jan 87

Summary : Personality information about Ion ILIESCU, who is mentioned in rumors time and again as Moscow's favorite candidate to succeed CEAUSESCU.

01 .03

8706136

The information picture is marked increasingly by rumors and speculation about CEAUSESCU being replaced before long. Given the deteriorating supply situation in Romania, such an outlook is undoubtedly influenced by wishful thinking. Even so it appears to be reasonable to have a closer look at possible successors.

The reports received refer time and again to Ion ILIESCU as Moscow's favorite candidate to succeed CEAUSESCU.

The following information is available here about his background/career:

03 March 1930	Born in Oltenia, Craiova area; graduated in business administration
Around 1950	Studies (hydrology) in Moscow
Feb 1960	Chairman of the student association and Central Committee member of the Association of Romanian Young Workers
May 1964	Deputy head of the CC Dept. for Educational and Health Affairs
March 1965 - May 66	Head of the CC Dept for Propaganda of the Romanian Communist Party; elected as deputy CC member of the RCP in July 1965
11 Dec 1967	Appointed as 1st Secretary of the Union of Communist Youth
1967-72	Minister for Youth Problems
1972	Holds no longer a top post, appointed as deputy chairman of the People's Council of Timisoara judet
1974	1st Secretary of Jasi judet
1978-84	Appointed as chairman of the National Council for Water Resources
1985	Director of the "Technica" publishing house

Ilie ILIESCU's continuous deprivation of political power and his "disciplinary transfers" were probably due to outspokenness and the blunt and realistic presentation of how things were. Never, not even in public, did he pull his punches when it came to CEAUSESCU or his policies, and he aired grievances without counting the cost to himself. Moreover, he was reportedly never among those who built up a personality cult around CEAUSESCU. He appears to be on especially bad terms with Elena CEAUSESCU.

During his stint at Moscow University, Ilie ILIESCU was secretary of the association of Romanian students and thus responsible for all Romanian students in the USSR. With GORBACHEV performing a similar function at the time, they got to know, thinking highly of, each other. It is reasonable to assume that Ilie ILIESCU still has very good contact with the Soviet leadership. Reports have come in from several quarters saying that he is currently in the USSR - according to one report he has been there for 18 months - so as to broaden the basis of his relations. There is even speculation that his current stay serves to prepare himself for assuming power in the post-CEAUSESCU era, with Soviet approval.

Ilie ILIESCU not only stands well with Romania's intellectual circles but is also seen by party officials and Army officers as a correct and incorruptible man having backbone.

After CEAUSESCU, he is very likely to regain a high-level post since he has all the makings for such a function: his background is convenient because his father was an underground Communist leader who died in prison. He himself has never been accused of any misconduct. He is relatively young and in good health. In addition, he is in Moscow's good books and can also rely on the support from Romanian cadres and on the sympathies of the Romanian people.

Since, however, he is politically in eclipse at present, it is long odds against his succeeding CEAUSESCU. With institutional continuity probably still playing a role in post-CEAUSESCU Romania, ILIESCU is very unlikely to go from nowhere to the top of party and state.

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135/c

28 January 1987

S & T Report

TgbNr.: 084/87 VS-V

Subject : USSR: Radioactive Materials in Ignition Units of Engines

DOI : January 1987

Evaluation : B - doc

Summary:

This report should be understood as a

WARNING

of the handling of Soviet engines, above all destroyed or partly destroyed engines.

01 .06

8706145

Report

1. Translation of Chapter 13 of Operating Manual for Shaft Turbine TV3 - 117:

13. Operating and Mounting Instruction for Ignition Unit and Built-in Devices P-22 or P-26 (L3-143, 1967 Editing)

1. The ignition unit uses the devices P-22 or P-26. The device P-22 contains the radioactive isotope Promethium-147, the quantity of radioactive substances being 20 μCi. The isotope emits β-rays of a maximum radiation energy of 200 keV. The device P-26 contains the isotope nickel-63 with an activity of 50 μCi and a maximum radiation energy of 67 keV.

Protection against detrimental effects by radioactive radiation is achieved by the lead walls of the devices P-22 and P-26, which weaken the radiation. Moreover, the devices are housed in the metallic casing of the units, which is a further protection. The dose rate on the outer surface of the unit does not exceed 0.2 mR/h. The wall thickness of the casing by far exceeds the required 0.214 mm (according to Annex 4, ..., No. 333-60, health regulations).

Therefore, even if the devices P-22 and P-26 break, there will be no radioactive contamination on the surface of the unit, if the broken devices are not uncovered in case the casing is damaged. If the unit casing is damaged, it is imperative to proceed according to point 8. of this instruction.

2. Operation and storage of the ignition units, in which the devices P-22 and P-26 are installed, are not hazardous for the servicing personnel and do not require special rooms or protection means. Therefore, neither the unit nor the packing bear a radiation hazard sign.

3. It is strictly forbidden to disassemble used units. Repair of the units will be in accordance with the "instruction for repairing ignition units equipped with devices P-22 or P-26".

4. Upon reception of the first unit, the organization must inform the local public health office.

5. The director of the enterprise or the commander must hand over parts of the unit to the person responsible for adherence to the "instruction for the operation and installation of ignition units equipped with devices P-22 or P-26". This person must have undergone special training and must participate in periodic instructions on radiactive safety issues.

6. After the end of their service life, the units must be sent to the manufacturer or the REM base (...). It is not permitted to disassemble and destroy the units.

7. If, in the case of a crash, units equipped with devices P-22 or P-26 are involved, the local public health offices and other organizations must be informed. A commission will decide on whether to carry out special measurements to determine the data of the unit.

8. If the casing of the unit breaks apart, possible β- and γ-radiation has to be measured with a dosimeter, e.g., of type "Signal" (....), in order to check whether there is any radioactive contamination. The check is to be made by specially trained personnel.

   If the unit is not contaminated, it will be sent to the manufacturer or the REM base in a normal package. If it is contaminated, it must be put into a collective container and then sent to a special laboratory for destruction in accordance with the valid sanitary regulations, to the manufacturer or the REM base. Contaminated equipment of small dimensions may be dispatched in containers of type 10KTO, which are provided by the industry.

Contaminated equipment of large dimensions must be stored and dispatched in aluminum containers with a wall thickness of 0.8 - 1 mm and with a lid completely covering up the container. The collective container must bear the radiation hazard sign. The contaminated units are put into collective containers by specially trained personnel wearing rubber gloves. Glass splinters are picked up by using rubber gloves and forcepts. Upon completion of the work, the hands have to be washed carefully. Until they are sent to a laboratory or the manufacturer, the collective containers enclosing the radioactive equipment must be kept in a safe provided with a radioactive hazard sign.

2. Preface "Safety Regulations" of Operating and Maintenance Manual for Jet Engine LYUKKA AL-21 F3

1.1.10. When using ignition units CX-224-1, bear in mind the following:

(a) ignition units CX-224-1 are equipped with device P-22 containing radioactive isotope Promethium-147 with activity 20 μCi and maximum radiation energy 200 keV.

Protection from radiation is ensured by the glass container of device P-22 and metallic casing of the ignition unit.

The radiation power dose rate at the ignition unit outside surface does not exceed 0.2 mR/h. Operation and storage of ignition units are not hazardous to the servicing personnel and require neither special rooms nor protection means.

That is why the casing and packing of the ignition unit do not bear a radiation hazard mark.

C A U T I O N : Never disassemble or repair the ignition unit in service;

(b) on reception of a separate ignition unit or ignition units installed on engine or in aircraft the using activity should inform the respective inspection agency on the fact;

(c) the head of the using activity must issue an order to appoint a person responsible for observation of protective precautions in using ignition units CX-224-1 in service;

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(d) in case of failure of an ignition unit or damage to its casing, do not fail to call for a representative of the Radiation Monitoring Service in order to carefully survey, by use of instruments ("ДУЧ", "СИГНАЛ", "ТМСС") specifically sensitive to beta- or gamma-radiation, to determine the degree of radioactive contamination.

In case radioactive contamination is not detected, send the ignition unit to the Manufacturer in a common package.

Whenever radioactive contamination is detected, forward the ignition unit to the respective Contamination Service to have the radioactive materials removed and the equipment decontaminated in compliance with the existing regulations or send the ignition unit to the Manufacturer,

Notes: 1. All operations with a contaminated ignition unit must be carried out by a representative of the Contamination Service, whose employees are subject to medical examination at least once a year.
2. Ignition unit should be handled or its fragments picked up by using rubber gloves and forceps.
3. Faulty ignition unit packed in a container must be kept in a safe provided with a radioactive hazard sign, until it is sent to the Manufacturer.
4. Upon completion of work carefully wash the hands with hot water and soap.

<u>Comment</u>

1. The possibility of using radioactive substances in the so-called ignition plug is known. Earlier Western engines (e.g., US shaft turbine T-53) are of a similar design. Ionization of the gas mixture serves for a reliable ignition under all operating conditions (cold start, restarting at high altitudes). Moreover, a wider use of the permitted fuels is possible, which may be quite important for export versions.

   The picture on the following page shows the ignition unit of the jet engine LYULKA AL-21 F3 with the ignition plug (12) mentioned before.

2. The instructions for the handling of ignition units, which are contained in the operating manuals, have to be taken seriously and must be observed above all in the case of destroyed and partly destroyed engines. Related to the radiation dose per year, the value of 0.2 mR/h exceeds the permitted values (0.2 mR/h correspond to 1.75 R/year; the permitted value for the population is 1 R/year).

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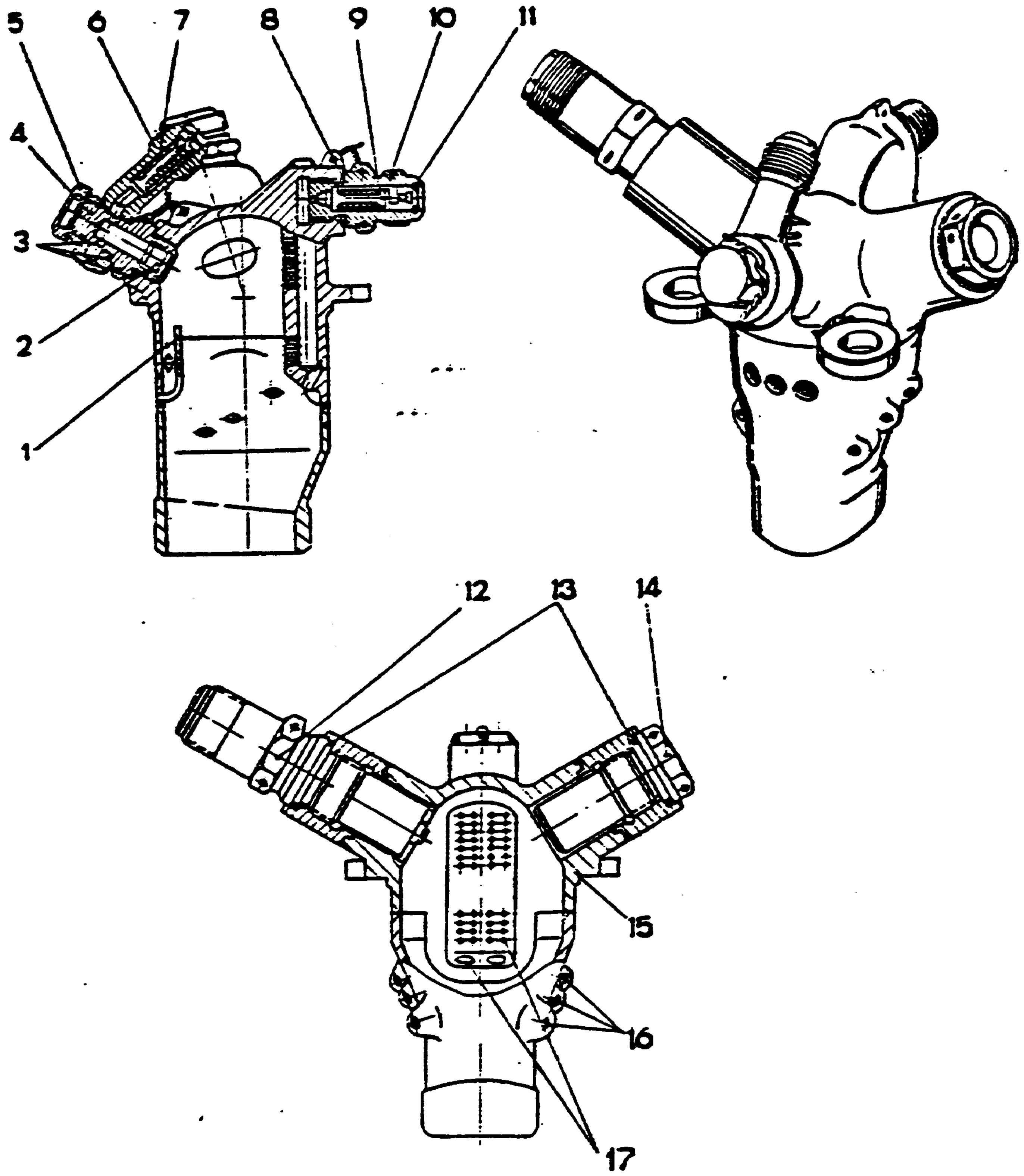


FIG. 24. IGNITER

1 – deflector; 2 – spray tip; 3 – gaskets; 4 – fuel injector; 5 – nut; 6 – swivel elbow; 7 – fuel filter; 8 – gasket; 9 – oxygen filter; 10 – oxygen delivery union; 11 – retaining ring; 12 – ignition plug; 13 – gaskets; 14 – plug; 15 – body assembly; 16 – side slits; 17 – oxygen delivery holes

VS-NUR FÜR DEN DIENSTGEBRAUCH

04.02.1987

135/C

SUPPLEMENTARY POLITICAL REPORT

Tgb.Nr. : 14 / 87 VS-NfD

Subject : USSR -
The Plenary Meeting of the CPSU Central Committee (27 - 28 January 1987)

Cutoff Date : February 1987

Summary : See text

01.12

8706146

VS-NUR FÜR DEN DIENSTGEBRAUCH

Subject: USSR - The Plenary Meeting of the CPSU Central Committee (27 - 28 January 1987)

1. Preparatory Phase (Postponement, Reasons)

The Central Committee plenary meeting expected by various observers to take place already in October 1986 was postponed several times. Although Soviet top functionaries do not always abide strictly by the letter of the party statutes (Article 37 on the period for convening Central Committee plenary meetings was violated), this time the Central Committee plenary meeting seems to have been postponed for substantial reasons:

1 - Waiting for the completion of the Central Committee plenary meeting in the Ukraine (early December 1986) and possible influence of the Party headquarters on the replacement of SHCHERBITSKIY;

2 - Waiting for the completion of the Central Committee plenary meeting in Kazakhstan with the replacement of KUNAYEV and the appointment of the Russian KOLBIN to the office of the Kazakh party chief (16 December 1986);

3 - Suppression of riots in Alma-Ata and other cities of Kazakhstan and the neighboring republics of Uzbekistan and Turkmenistan;

VS-NUR FÜR DEN DIENSTGEBRAUCH

4 - Discussion about cadre issues (limitation of the tenure of office, rotation, planned reshuffle in the top leadership);

5 - Lack of consensus about the tolerable degree of criticism of the system ("Glasnost"/democratization process);

6 - Uncertainty about the future treatment of dissidents;

7 - Uncertainty about further measures of "reformation" ("Perestroyka").

For the first time, the date for the beginning of the Central Committee plenary meeting was announced (by GORBACHEV) in advance. "Glasnost" on the one hand, on the other possibly also creation of a fait accompli to frustrate another postponement.

2. Personnel Changes

2.1 Politburo Members

After the loss of his party office in Kazakhstan, D.KUNAYEV has now also lost his seat on the Politburo.
As expected, the Ukrainian Party chief V.SHCHERBITSKIY keeps his membership in the Politburo. After the repeated confirmation in office as First Secretary of the Communist Party of the Ukraine (early December 1986) by the local Party organization, his removal from the Politburo would have amounted to an affront to the republic, at least to its Party. After the riots in Alma-Ata in connection with

the deprivation of KUNAYEV of his power, the Party leadership could not afford to take a similar risk in the Ukraine.

2.2 Candidate Members of the Politburo

The only new member, Central Committee secretary A.YAKOVLEV, shows, on the one hand, the importance attached to propaganda at home and abroad and, on the other, throws a light on the relations to the main rival U.S.A. YAKOVLEV is known for his not very conciliatory attitude toward the United States. At the same time he acts as a close advisor of the general secretary, whom he accompanied on ~~many~~ several trips abroad. The Soviet Minister of Defense S.SOKOLOV remained in his position as candidate member of the Politburo, which still shows the outwardly reduced importance of the military.

2.3. Central Committee Secretaries

N.SLYUNKOV, candidate member of the Politburo and first secretary of the Communist Party of Belorussia, additionally received the office of a Central Committee secretary. He ~~will~~ thus gave up the post of the party chief of the Belorussian Communist Party.

The appointment of the head of the General Department of the Central Committee, A.LUKYANOV, to be Central Committee secretary is due to the important position of this department in the Central Committee apparatus. As a rule, the proposals made by the Central Committee apparatus to the Politburo are channeled via this department. Before his election for general secretary, CHERNENKO, too, held both

posts at the same time. LUKYANOV became head of the General Department in November 1985. He then replaced CHERNENKO's henchman BOGOLYUBOV.

There were first signs of the forthcoming dismissal of the former ideology and propaganda functionary M.ZIMYANIN from the Central Committee Secretariat already on the 27 th Party congress (25 February - 05 March 1986), when YAKOVLEV took over ZIMYANIN's functions. Since that time ZIMYANIN has been responsible for the Party control over science and research.

GORBACHEV did obviously not succeed with the promotion of the Moscow Party chief and loyal supporter of his theses, B. YEL'TSIN. He has still to put up with the status of a candidate member, although his corrupt predecessor GRISHIN had been a full member of the Politburo. The significance of his function including also the organizational control over the Moscow-based central Party apparatus would have certainly justified his appointment to be full member of the Politburo.

Furthermore, another promotion of the Central Committee secretary and head of the International Department, A.DOBRYNIN, was expected , all the more so since the power to issue foreign-political guidelines has been shifted from the minister of foreign affairs to the Party level. This, however, would have created a certain rivalry with the Soviet Minister of Foreign Affairs,SHEVARDNADZE, a state which already GROMYKO vis-à-vis PONOMAREV knew how to prevent.

On the whole, the personnel changes in the Politburo and Secretariat carried out by the Central Committee plenary meeting do not fully come up to the intententions of the general secretary. GORBACHEV will therefore still be forced to come to terms with the conservative forces also in these bodies. With the dismissal of the die-hard functionaries and supporters of BREZHNEV, that means KUNAYEV and ZIMYANIN, though, he has continued to thin out their ranks and prevented at the same time that additional functionaries of that shade joined the political top leadership.

3. The Report of the General Secretary

Already at the Central Committee plenary meeting in April (1985), the 27th Party congress (25 February - 05 March 1986) and on his trips through the country, GORBACHEV had voiced relentless criticism of functionaries and dismal conditions in the Soviet Union.

In his 25,ooo-word report delivered to the Central Committee plenary meeting he pointed repeatedly out the failures of the Party and state, for which he lays the blame on the lacking farsightedness of the Central Committee and the political leadership of the country.

There was a weak attempt to put the blame on the sciences, for they "were not supported (by the party) when presenting new ideas".

He repeatedly underlined the (alleged) support given by the whole people to the new course, an argument which opposing nomenclature members can hardly refute.

Nevertheless, GORBACHEV still faces resistance from all sides, in the ranks of the party, the state, the Soviets, the management of enterprises and their staff.

An integral part of the reformation process and the linchpin of the report is the "continued democratization of the life of the Party and the whole society", a subject for which All-Union Party conference is to be convened in 1988. Further items of the agenda will be the degree to what decisions of the Party congresses have been put into practice as well as a survey of achievements in the first half of the 1986-199o Five-Year Plan.

Pursuant to Article 4o of the Party statutes, All-Union Party conference may, if required, be convoked between the Party congresses by the Central Committee of the CPSU "in order to treat urgent questions of the policy of the Party". The CPSU Central Committee will also lay down the terms for holding such a conference. The last (18th) All-Union Party conference took place in Moscow in 1941 (15 - 2o February). This body has largely the powers of a Party congress and is therefore also entitled to exclude part of the Central Committee members, replace them by new ones and to elect new candidate members of the Central Committee or to amend the Party statutes.

The reactivation of this institution may be regarded as the attempt of the Party leadership to get quickly rid of oppositional elements in compliance with constitutional rules and to have the new course confirmed by the supreme body

of the Party. The vague statements made at the 27th Party congress about the subject "democratization" are thus to become more concrete.

Especially in the Western media attention was paid to GORBACHEV's statements about a modification of the electoral system.

According to the general secretary, the essence of most proposals for a change of the mode of the elections for the Soviets is that the voters discuss "as a rule" the candidacy of several candidates at election meetings, the electoral districts are enlarged, and in each district several members may be elected. The necessary amandments of the electoral law are to be dealt with in a nationwide discussion. The realization of these proposals is only "a first step toward a further democratization". "More radical changes and further steps in this direction" are necessary.

GORBACHEV hopes to activate large sections of the people for the dynamization process with these modifications of the system of Socialist democracy. In reality, though, only a relatively small section of Soviet citizens will be interested in a democratization of the system. The majority of people remain apolitical and primarily interested in an improvement of the standard of living. The party leadership, however, needs especially the small group of people holding independent opinions as multiplicators to set the oft-cited "Perestroyka" going.

This group, though, has not yet been convinced of the statements of the general secretary. Roy MEDVEDEV on 28 January 1987 after the conclusion of the plenary meeting:" We have expected more of this speech. It still bears the stamp of a certain compromise." The intelligentsia is well aware of the fact that also several candidates are nominated only by one and the same party. For GORBACHEV and his team the envisaged modifications of the electoral system are currently obviously the maximum of measures to be achieved. With the announced nationwide discussion about this subject, he is possibly able to succeed with further-reaching ambitions.

The election of persons not aligned with the Party for the Soviets is not planned. They shall be able in future to hold leading positions chiefly in the production sector (factories, collective and state farms, etc.).

According to the general secretary, the democratic principles have to be strengthened in the Party elections. The secretaries of the primary Party organizations up to the first secretaries of the Communist Party of the union republics are to be elected by secret ballot at the plenary meetings of the respective Party committees. The members of the committees may extend the list of candidates at will. The Politburo even holds the opinion that this democratization process should cover even the central leading party bodies.

The principle, though, that the decisions of the superior bodies remain binding for the subordinate Party committees, also in cadre matters, must not be violated in the Party.

Nevertheless, this part of GORBACHEV's speech shows a remarkable first step toward breaking up the rigid nomenclature rules. Another means to eliminate disagreeable functionaries is the envisaged rotation system. The demand for admission of fresh blood to the Central Committee of the Party and even to the Politburo in due time confirms intelligence information according to which a limitation of the tenure of office to three election periods is planned. This limitation is probably equivalent to the principle of rotation introduced by KHRUSHCHEV in 1961 and abolished again in 1966.

"In view of their authority and their great political, organizational and other abilities", though, individual Party functionaries had been exempted from this regulation at that time.

(Noteworthy is that the GDR text deviates from the Russian original as far as this passage is concerned. ADN emphasizes the "continuity" (preyemstvennost' - continuity in the meaning of succession, sequence) of the leadership and replaces "Politburo" by "government".)

Although these measures guided by the general principle of "democratic centralism" will within the framework of "intra-Party democracy" not shake the Party to its very foundations, the Party leadership relinquishes a major leadership instrument of cadre policy by allowing secret voting and on account of an election result which is uncertain

because of several candidates. If these rights for the members of the Party committees are strictly observed, it is by no means guaranteed that the favorite candidate of the superior Party organization will win. Although the Party leadership may, as the case may be, use the instrument of "democratic centralism" in favor of its candidate, it becomes untrustworthy if it uses this instrument too often and thus undermines a possibly existing confidence in the reform projects.

The social organizations are destined to be another crowd puller for the reformation process. Trade unions, KOMSOMOL, war and labor veterans, women's councils and the newly established Soviet cultural fund are to direct the interests and demands of the various groups of the population into the right channels. The establishment of new organizations has been announced. Individual expectations are thus absorbed and channeled. If the democratization process and "glasnost" are continued, they could also constitute a platform for further-reaching demands to the government.

4. Overall Assessment

With his proposals and initiatives submitted to the plenary meeting, GORBACHEV has obviously played all his cards. If should be noted, though, that the most spectacular demands are not decisions of the Central Committee but only a declaration of intent of the general secretary. The

approval of his plans was obviously denied by the stubborn resistance of the Party bureaucracy. As an anchor for their ideas, the pro-reform forces in the top leadership revived the mothballed instrument of the Party conference. It is far from being certain that majorities have changed within one year so that GORBACHEV can have his ideas cemented by this body.

The resistance of the apparatus and its stubborn refusal to accept changes manifest themselves also in the personnel changes in the top leadership which can be regarded only as a minimum program. Nevertheless, GORBACHEV was not forced to make a retreat on any point. Given his firm political will and his unabated position as general secretary, further minor steps in the direction desired by him can be expected.

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02 March 1987

SUPPLEMENTARY REPORT ON INTERNATIONAL COMMUNIST ACTIVITIES

TgbNr. 307/87 VS-V

Subject:	Activities of Soviet-Controlled International Front Organizations Nos 01 and 02/87
Period Covered:	01 January - 28 February 1987
Summary:	See Table of Contents p. I - II and General p. 1 - 2

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List of Contents

I. GENERAL

The picture presented by the Soviet-controlled international front organizations in the past months did not change much during the period covered by this report. Disarmament in general was the main topic of agitation. A number of events again served the preparation of action and working programs for 1987.
The continuation of nuclear tests by the U.S.A. caused a number of front organizations to launch massive anti-American agitation.
Of special importance is that some front organizations are planning to establish worldwide "anti-nuclear coalitions", which will be tasked to form closer ties with non-communist peace movements without revealing their communist perceptions. Examples are the "anti-nuclear coalition of academic youth" of the International Union of Students (IUS), the "coalition of peace" of the World Peace Council (WPC) and the "platform of youths from all continents against a nuclear catastrophe" of the World Federation of Democratic Youth (WFDY).
The preparations for the 13th World Festival of Youth and Students (WF), scheduled to take place in Pyongyang in the summer of 1989, began with a first meeting of the international preparatory committee in Moscow. The WF is the largest and most expensive event conducted by WFDY and IUS. For cosmetic purposes, an international preparatory committee is installed for preparing the WF. In this way, the WF is supposed to gain the appearance of independent plurality.
The Christian Peace Conference (CPC) will continue its great variety of activities in 1987. Its ultimate goal will again be to infiltrate religious peace movements and to influence churches and religious communities along the lines of Soviet disarmament concepts. Information available here indicates that the 1987 action program of CPC provides for more than 60 different actions and events.

Within the framework of the disarmament campaign, the activities of the World Federation of Trade Unions (WFTU) are increasingly focused on contacting and mobilizing social groups and organizations which are of high value in the multiplication of propaganda. Interesting in this context are efforts to win <u>engineers</u>, <u>executives</u> and <u>technicians</u> for a more active role in WFTU's worldwide disarmament campaign. In the opinion of WFTU they are highly competent in their technical fields and can therefore exert considerable influence on the international labor movement.

The Soviet Peace Committee recently initiated the formation of a group called <u>"Soviet Retired Generals and Admirals for Peace and Disarmament"</u> in the Soviet Union. One of the main tasks of the new institution is to integrate the <u>international</u> group of "Generals for Peace and Disarmament" more strongly into the entire spectrum of Soviet disarmament perceptions and its promotion in public. Important to note is the fact that this new group enables the Soviet Peace Committee - which the USSR uses to control the communist WPC - to extend direct influence to the international group of "Generals for Peace and Disarmament".

II. EVENTS AND ACTIVITIES

Worldwide

Activities of the Christian Peace Conference (CPC*)

CPC will continue its great number of activities in 1987. Its main goal will again be to infiltrate religious peace movements and to influence churches and religious communities along the lines of Soviet disarmament concepts. Information available here indicates that the CPC action program provides for more than 60 different actions and events in 1987 alone. Special effort will be allocated to expanding its activities and extending its basis for actions in Third World countries. Having so far been active in Africa and Asia, CPC now also works in Latin America. It is important to note that CPC intends to integrate young people more strongly into its activities.

According to information available to us, the International Secretariat convened in Prague in February 1987. Topics of discussion were questions relating to the implementation of CPC's action program, changes of the statutes, and the proposal of the World Council of Churches to prepare a worldwide peace council. The international CPC commission for disarmament questions is scheduled to hold a meeting in the Federal Republic of Germany in April 1987. The CPC General Assembly for Latin America and the Caribbean Area is going to take place in Havana in 1987.

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*)The CPC was set up in Czechoslovakia in 1958 as a front organization of the WPC by pro-communist non-Catholic church leaders, mostly the members of the Czechoslovak Peace Council. The problems resulting from the WP invasion of Czechoslovakia in 1968 having been overcome, the CPC now figures at innumerable meetings of national and international bodies throughout the world as an interpreter of Soviet ideas and aims. The CPC is headquartered in Prague.

Important to keep in mind when assessing the effectiveness of CPC activities is that it is currently represented in 86 nations with regional and continental committees. As a non-governmental organization (NGO), CPC has consultative status II in the United Nations Economic and Social Council as well as in UNESCO. CPC established a permanent liaison office at the United Nations Headquarters in New York as far back as 1974.

Session by the WFTU Commission for Engineers, Executives and Technicians

WFTU activities within the scope of the disarmament campaign increasingly focus on attracting social groups and organizations which are of high value in the multiplication of propaganda. Interesting in this connection are efforts to integrate engineers, executives and technicians more actively in the worldwide disarmament campaign of WFTU. According to WFTU, these groups are highly competent in their technical field and are therefore able to exert considerable influence on the international labor movement.
Information available here suggests that the "WFTU Commission for Engineers, Executives and Technicians" held a meeting in Tallin, USSR, from 15 to 17 January 1987. It was attended by trade union representatives from Brazil, Great Britain, East Germany, Zaire, India, Morocco, Portugal, USSR, U.S.A., Finland, France, and the WFTU. The purpose of the meeting was to analyze the current situation and draft a working program for future activities. Another topic of discussion mainly was the question of a more effective integration of engineers, executives and technicians into the disarmament campaign of WFTU. Interesting in this connection is that the commission intends to organize an international conference in 1989. No information is available yet on the concrete results of the meeting.

The WFTU Commission for Engineers, Executives and Technicians was established in 1970 in order to secure continuous and coordinated cooperation with various non-communist organizations

attached to this vocational group. The commission sees its most important task in uniting the persons and organizations involved worldwide and syndicating them under the unity of action which WFTU is striving for. Its chairman is Alain OBADIA (France), the secretary general of the French Trade Union Federation of Engineers and Technicians (UGICT).

Beginning Preparations for the 13th World Festival of Youth and Students (WF)

The first meeting of the International Preparatory Committee (IPC) for the 13th WF was held in Moscow from 6 to 8 February 1987. It was attended by about 300 representatives from 141 organizations of 93 countries as well as 25 international organizations. The meeting served to work out joint positions as a basis for further preparations for the 13th WF. Although there are no indications that topics such as funding, program arrangements and the like were discussed, it is safe to assume that they have already been on the agenda.
The motto of the 13th WF in Pyongyang in the summer of 1989 will be "for anti-imperialistic solidarity, peace and friendship". An interesting fact is that among others the Council of National European Youth Committees (CENYC), the International Federation of Liberal and Radical Youth (IFLRY) and the League of Democratic Youth of Japan declared in Moscow that they were against holding the 13th WF in Pyongyang.

The Chinese were not yet identified to participate in the preparations. But it is considered likely that they will be present in North Korea, at least because they will want to prevent Moscow from enhancing its influence on a country that had been very close to China for a long time.
The WF is the largest and most costly event organized by the World Federation of Democratic Youth (WFDY) and the International Union of Students (IUS). For operational reasons, the preparations are conducted by an IPC, which is to give the WF the appearance of independent plurality. This is one of the well-known tactics of communist-controlled international front organizations: having apparently neutral international preparatory committees become active in the run-up to their major events. In reality, however, most of the IPC members

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are functionaries of WFDY, IUS and national CPs. The IPC is charged with carefully selecting the participants and limiting the "official" goals in order to preclude any incidents disrupting the WF. The participation of national and international groups in the past varied according to the development of international tension. There have even been attempts to organize rival festivals.
Holding the WF in Asia for the first time last but not least serves the purpose of gaining influence on the Asian youth movement. Many Asian organizations which have not attended the WF for many years are expected to participate. An interesting fact is that WFDY and IUS are currently trying to step up their activities in the Third World as well as gain ground especially in Asia.

Executive Committee Meeting of the International Union of Students (IUS*)

Much of the agitation by the Soviet perception management system continues to be directed at youth. An especially effective instrument of propaganda and manipulation is the communist-controlled IUS.
According to our information, the IUS Executive Committee held a meeting under the motto "Students Fighting for Peace and Disarmament" in Addis Ababa from 27 to 29 January 1987. It was attended by approximately 150 conferees from 60 nations. The main topics of discussion were
- the expansion of activities within the disarmament campaign,
- the establishment of a new international economic order,

*) The Prague-headquartered IUS currently comprises 110 students' unions from 107 European, African, Asian and American countries with a total membership of about 35 million. The highest IUS institution is the Congress normally held every third year. The secretary general of IUS is Georgios Michaelidis (Cyprus), president is Josef Skala (Czechoslovakia). Together with the World Federation of Democratic Youth, IUS is one of the initiators of the World Festival of Youth and Students.

- the struggle against imperialism, colonialism and racism.

Another central topic of discussion was further preparation of the IUS Congress scheduled to be held in Havana in November 1987 and the 13th World Festival of Youth and Students in Pyongyang in the summer of 1989.

Two IUS campaigns, "Students for Peace, Against Nuclear War" and "Education - A Right, not a Privilege", will continue to figure prominently in IUS agitation. An interesting aspect is the intention of IUS to link topics such as illiteracy, unemployment, social progress, famine, etc., more strongly with disarmament questions and devote more propaganda to such interrelations. Especially noteworthy is that IUS plans to establish a worldwide anti-nuclear coalition of academic youth, comparable to the "platform of youths from all continents against a nuclear catastrophe" which the action program of the World Federation of Democratic Youth (WFDY) provides for. It is supposed to involve not only IUS member organizations, but also students' organizations irrespective of different political or ideologic views. The following demands are the most important items of agitation in 1987 during the phase of intensive preparations for the congress:
- Stopping nuclear tests,
- Creating nuclear-free zones, and
- Preventing the "militarization of space".

For members of the IUS Executive Committee, see p.

Activities of the Afro-Asian Peoples' Solidarity Organization (AAPSO)

AAPSO continues to consider its main tasks in 1987 to be the manipulation of public opinion and government policies in the respective countries along the lines of Soviet disarmament perceptions with the aid of its national member organizations. In this respect it makes special use of the fact that the public in Africa and Asia is increasingly becoming aware of disarmament questions.
The action program adopted at the latest AAPSO Presidium meeting

(Ulan Bato, mid-December 1986) provides for a number of conferences and symposia on this subject in 1987. An international seminar will be devoted to the 70th anniversary of the October Revolution. The action program of AAPSO will be extended in accordance with the developments of the political situation and with new demands by Moscow at a session of the Special Committee or Presidium Committee for Disarmament scheduled to be held in East Germany in the first half of 1987. The next conference of the AAPSO Presidium, at which among other things the site of the 7th AAPSO Congress will be determined, is supposed to take place in Kabul in the first half of 1987.

Special attention is drawn to the fact that a consultative meeting of the AAPSO member organizations of the Soviet Bloc countries was held in Prague in December 1986 for the preparation of the AAPSO Presidium meeting and/or the draft of the 1987 AAPSO action program. The member organizations of the Soviet Bloc countries which lay down the guidelines of the AAPSO policy at their meetings form the inner core and/or the actual "decision-making body".

The AAPSO with personnel links with the World Peace Council (WPC) (it holds two seats on the WPC Presidium) will continue to practice close cooperation with the WPC also in 1987. Coordination of the AAPSO action plans with the WPC action program for 1987 took place at a meeting between WPC President Romesh Chandra and the AAPSO President Abdel Rahman El Sharkawi heading the members of the AAPSO permanent secretariat in Cairo in mid-February 1987.

The Iran-Iraq conflict was the subject of an international seminar organized jointly by the WPC and AAPSO in Cairo in mid-February 1987. The three-day conference was attended by some 250 representatives of organizations from roughly 50 countries.

Bureau Meeting of the Presidium* of the World Peace Council (WPC)

From 23 to 26 January 1987, a Bureau meeting of the WPC Presidium took place in Lisbon, Portugal. The discussions focused on a study and assessment of the 1986 WPC activities and the adopting of the 1987 action program. The WPC sees its main tasks also in 1987 in swaying public opinion to go along with the Soviet foreign policy perceptions and working toward a change in views as well as influencing and undermining the various currents of the "peace movement". In a final appeal, "all groups, organizations and movements interested in peace" are called upon to start an open dialogue which "should lead to lasting, stepped-up and broad actions for nuclear disarmament and complete liquidation of all nuclear arms."

Similar to the action programs of the other international front organizations, the demands for

- "scrapping the plans for extending the arms race to outer space" and
- "a complete ban of all nuclear tests"

will be agitation highlights in 1987.

No information is available yet on the concrete results.

Special attention is drawn to the plan of the WPC for a world-wide "coalition for peace" which "should be made up of all those who are against a nuclear war, regardless of their political points of view". In this context, it is interesting to note that the working programs of the International Union of Students (IUS) and the World Federation of Democratic Youth (WFDY) also include the formation of an "antinuclear coalition of the academic youth" and a "platform of the youths of all continents against a nuclear catastrophe" respectively.

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* The WPC Bureau is made up of the WPC President and Vice President and representatives of national peace committees and movements. It executes and implements the Presidium resolutions. The Bureau initiates further activities in keeping with the Council and Presidium resolutions.

<u>Activities of the Trade Union International of Textile, Clothing, Leather and Fur Workers (TUI)</u>

A special priority of the TUI is currently the preparation of the 8th International Occupational Conference to be held in Sofia, Bulgaria, from 12 to 15 May 1987. On the agenda are reportedly the preparation of an orientation and action program for the coming years and particularly questions of a closer incorporation of noncommunist trade union federations in the disarmament campaign of the World Federation of Trade Unions (WFTU), the implications of the policy of the multinational corporations and the election of the executive personnel of the TUI. The latest conference took place in East Berlin in September 1982.

The TUI activities on a worldwide scale feature prominently in the strategic line of the WFTU. They play a more than minor part within the global disarmament campaign of the WFTU by masterminding the occupationally oriented perception management offensive.

Their key task is to penetrate the noncommunist trade union movement with the help of occupationally oriented activities and/or to exert direct influence, through branch trade unions in the West, on the national trade union umbrella organizations. This is also in line with the tactical perception of the WFTU aiming at trade union unity by placing more emphasis on establishing contacts between trade unions of different branches of industry than between the large national trade union federations. The latter method has proved to be too lengthy and difficult.

The TUI of textile, clothing, leather and fur workers with seat in Prague is made up of 71 trade union organizations from 58 countries with some 12 million members. TUI President is Gilbert Morales (Colombia) and secretary general is Jan Kriz (Czechoslovakia).
The TUI is organized along the following structures:

- The highest body is the international occupational conference taking place at least every fourth year.

- The administrative committee meeting at least once a year is the working and decision-making body of the TUI.
- The executive bureau convening at least twice yearly is the executing body.
- The regularly confering secretariat is in charge of day-to-day control of the TUI activities.

For coordinating the activities within the WFTU disarmament campaign, a special working group for problems of peace and socio-economic aspects of disarmament exists in the TUI. It is headed by the secretary general of the trade union for the leather and rubber industry of Finland, Kaalevi Urpelainen.

Bureau Meeting of the World Federation of Trade Unions (WFTU)

There is unconfirmed information saying that the next WFTU Bureau meeting will take place in Warsaw, Poland, from 27 to 29 March 1987. Nothing has become known yet of what the agenda items will be. For preparing the Bureau meeting, WFTU secretary Jan Nemoudry was in Warsaw in early February 1987.

E u r o p e

Consultative Meeting of the Permanent Committee of the Workers' Conferences of the Baltic Countries, Norway and Iceland*

A particularly important concern of the WFTU and/or Moscow continues to be to mobilize the Western European trade union movement

* The Workers' Conference of the Baltic Countries, Norway, and Iceland, which has been held annually in Rostock, GDR, since 1958, was originally instituted to support the campaign for the diplomatic recognition of the GDR. Between conferences, implementation of the resolutions and coordination of the activities of the national committees are in the hands of the Permanent Committee and/or its international secretariat.

The Permanent Committee, whose geographical sphere of activities is apparent from its name, is an important element in the West Europe strategy of the World Federation of Trade Unions (WFTU). Although formally under the control not of the WFTU but of the GDR, it came to be increasingly used by the WFTU as an instrumen in pursuing its own concept for Europe. There are close working links between the WFTU leadership and the Permanent Committee.

The Chairman of the Permanent Committee is Heinz HANNS, member of the Presidium of the Executive Board of the GDR trade-union confederation FDGB.

more strongly in going along with the Soviet disarmament perceptions and/or to remove opposition to a unity of action within the WFTU disarmament campaign. The Permanent Committee plays a more than minor role in this.

It has been learnt here that a meeting of the Permanent Committee took place in Rostock, East Germany, on 18 January 1987 where the political situation, future activities and questions of regional cooperation were discussed. The 46 participants from nine countries fell in with the proposal by Yevgeny Komissarov (Soviet Union), a member of the International Secretariat of the Permanent Committee, for convening the next workers' conference in Leningrad from 8 to 12 June 1987 under the motto "for more common trade union activity in the fight for preserving peace, for a world without nuclear weapons, for international cooperation and social progress".

Forums are to discuss

- the role and responsibility of the trade union in the different social systems in the struggle for a peaceful future and
- the connection between scientific-technical revolution, environmental protection and trade union representation of interests.

The activities of the Permanent Secretariat are based on very close cooperation with the WFTU, since it largely concurs with the latter's objectives. Particularly in the context of the disarmament campaign it has managed to alert and activate a broader spectrum of society in the Scandinavian area for the Soviet disarmament perceptions.

Activities of the Trade Union International of Workers in Commerce TUI*

The 11 TUIs affiliated to the WFTU still see their main task in mobilizing the noncommunist trade unions of various branches of industry even more strongly to subscribe to the Soviet "peace"

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* This TUI with seat in Prague has a current membership of 23 million workers from 70 organizations in 64 countries.

and disarmament perceptions and/or stepping up the propagandist propagation of Moscow's views on the levels accessible to them. For achieving this objectives, the TUIs usually giving themselves the air of uncompromising champions of a Marxist-Leninist trade union identity emphasize subjects where they anticipate large agreement and/or unity of action with noncommunist trade union federations.

Attention is drawn in this context to the intention of the TUI of Workers in Commerce to stage a "meeting of the trade unions of workers in commerce" in Western Europe in 1987. Besides questions of a stronger incorporation of noncommunist trade union federations in the WFTU disarmament campaign, mainly the consequences of the policy of the multinational corporations are to feature on the agenda. The meeting will also have the task to determine common standpoints as a basis for joint actions and establishing permanent contacts between communist controlled industrial trade unions and trade unions of different political orientation.

This event is to be seen as a new attempt by the WFTU to penetrate the noncommunist trade union movement in Western Europe and overcome the "rift" in the trade union movement with the help of occupationally oriented activities. For coordinating the future preparatory activities, an initiative committee has been set up inside the TUI of Workers in Commerce made up of labor representatives from France, Belgium, Spain, Portugal and Austria.

These activities are also part of the TUI efforts for establishing a regional organization in Europe.

Formation of a Group of "Soviet Retired Generals and Admirals for Peace and Disarmament"

Particularly revealing is the fact that, on the initiative of the Soviet Peace Committee, a group of "Soviet Retired Generals and Admirals for Peace and Disarmament" was set up recently in the Soviet Union. In charge is a coordinator elected for a year. The first to take over this task is retired Major General Vadim Makarevskiy.

Among the major objectives of this new Soviet group is the even tighter incorporation of the international group of "Generals for Peace and Disarmament" in the overall spectrum of Soviet disarmament perceptions and its popularization. Attention is also drawn to the fact that this new group makes it possible for the Soviet Peace Committee - which is used by the Soviet Union for controlling the World Peace Council (WPC) - to exert direct influence on the activities of the international group.

The thematic positions held by the international group of "General for Peace and Disarmament" have an obvious pro-Eastern tilt. As objective "witnesses", they thus support the Soviet controlled peace and disarmament campaign. It is no communist front organization, but clearly acts a a front-of-front organization and, owing to its personnel link with the WPC, it evidently follows the line of argumentation of Soviet controlled front organizations.

The international group of "Generals for Peace and Disarmament" emerged as a permanent institution from the "world parliament of peoples for peace" which took place in Sofia, Bulgaria, in September 1980 on the initiative of the WPC. Consultative meetings held in Vienna in 1982, 1983 and 1986 served the preparation of action plans and the coordination of propaganda activities by means of publications. The fourth meeting is also scheduled to take place in Vienna in 1987. The following generals have been seen to be involved in the activities of this international group:

General Michiel von MEYENFELDT (Netherlands), co-chairman and spokesman of the group

General Alexander PONOMAREV (SU), co-chairman

Brigadier Michael HARBOTTLE (UK) secretary
Marshal Costa GOMES (Portugal)

General Georghios KOUMANAKOS (Greece)

General Nino PASTI (Italy)

Admiral Antoine SANGUINETTI (France)

General Leonard JOHNSON (Canada)

General Johan CHRISTIE (Norway)

Air Commodore Alistaire MACKIE (UK)

General Joao Rangel de LIMA (Portugal)

Admiral Miltiades PAPATHANASSIOU (Greece)

Brigadier General Michaelis TOMBOPOULOS (Greece)

Major General Gert BASTIAN (FRG)

Major General Günter VOLLMER (FRG)

Read Admiral Gene CAROLL (USA)

Their opposite numbers on the Eastern side have been

General Petar ILIEV (Bulgaria)

General Josef KALAZI (Hungary)

General Samuel KODAJ (CSSR)

General Brunon MARCHEWKA (Poland)

General Tbor SARDY (Hungary)

General Rear SIMONYAN (SU)

General Ion TUTOVEANU (Romania)

Four of the former NATO military personnel, Costa Gomes, Koumanakos, Pasti and Sanguinetti, are WPC members and subscribe to its action program.

A Hungarian section of "Generals for Peace and Disarmament" was formed in Budapest in late January 1987. Retired Colonel General Karoly Csemi was elected chairman.

A s i a

Preparation of a Consultative Meeting of the Communist Parties of Asia and the Pacific Region

Information available here indicates that the Soviet communist party CPSU is working toward organizing a consultative meeting of communist parties of Asia and the Pacific region. Besides exchange of experience and information, the main purpose of the meeting will be to lay down political positions of the CPs on the key issues of international development as well as coordinate future activities. For tactical reasons and for luring a large number of CPs to this meeting, the discussions are to be confined to "questions of disarmament and peace".

Via internal party channels, consultations and preliminary talks about the arrangements for convening the meeting have already been held with communist parties of this region. In charge of the further preparations and holding of the consultative meeting to take place in Ulan Bator, Mongolia, in the summer of 1987 is the Mongolian People's Revolutionary Party.

It is believed here that the CPSU plans to have emerge from this meeting a permanent institution similar to the "center for socialist research and studies in the Arab world". This control body of the Soviet Union for the propagation of Marxist-Leninist theory and/or for an ideological union of the Arab communists active since 1983 has seen its main task in shaping a more effective strategy of the communist parties in the Arab region by undertaking studies and preparing analyses.

A reaction from the Chinese CP has not become known yet. It had severed its party relations with the CPSU as far back as the mid-1960s and has not resumed them since.

L a t i n   A m e r i c a

Eighth Congress of the Continental Organization of Latin American Students (OCLAE)

The 8th congress of the OCLAE took place in Havana, Cuba, from 12 to 15 January 1987 under the motto of "anti-imperialist unity is the tactics and strategy for victory". It was attended by 70 representatives of OCLAE member organizations from 31 Latin American countries as well as guests from 19 international and national student associations. Nothing is available yet about concrete results of the discussions, particularly about the completed action program.

The OCLAE was originally founded in 1966 by the International Union of Students (IUS). After having set up headquarters in Havana, it came under Cuban influence and from then on reflected the differences between the Cubans and the IUS. These referred, for instance, to the strongly pro-Soviet Chilean student league (UFUCH), which the Cubans criticized, while it was supported by the IUS. Relations between the Cubans/OCLAE and the IUS gradually improved after 1968 when Castro began to follow a more systematic Soviet course. The last bone of contention was removed when the IUS and the World Federation of Democratic Youth (WFDY) agreed to stage the 11th World Youth Festival in Havana and thus fulfilled a long-cherished ambition of the Cubans.

Stepped-up cooperation between the IUS and OCLAE resulted in the joint organizing of a large number of initiatives and actions at continental lavel which were extended all the time so that, today, events are jointly staged also beyond the continent. Priorities of cooperation are also

- the joint granting of scholarships and
- cooperation in the student press sector.

Today, the OCLAE acts as a regional organization of the IUS in the Latin American area.

III. Dates of Communist or Communist Controlled International Events

New or Changed Dates

Warsaw 27-29 March 1987	Bureau Meeting of the World Federation of Trade Unions (WFTU) (see text, page 11)
FR Germany April 1987	Meeting of the International Commission for Disarmament Questions of the Christian Peace Conference (CPC) (see text, page 3)
Sofia 12-15 May 1987	Eighth Occupational Conference of the TUI of Textile, Clothing, Leather and Fur Workers (see text, page 10)
Leningrad 08-12 June 1987	Workers' Conference of the Baltic Countries, Norway and Iceland (see text, page 11)
East Germany First Half of 1987	Meeting of the Presidium Committee for Disarmament of the Afro-Asian Peoples Solidarity Organization (AAPSO) (see text, page 8)
Kabul First Half of 1987	Conference of the AAPSO Presidium (see text, page 8)
Ulan Bator Summer of 1987	Consultative Meeting of the Communist Parties of Asia and the Pacific Region (see text, page 16)
Havana November 1987	Congress of the International Union of Students (IUS) (see text, page 7)
Havana 1987	General Assembly of the CPC for Latin America and the Caribbean (see text, page 3)
Western Europe 1987	Meeting of Workers in Commerce organized by the TUI of Workers in Commerce (see text, page 13)

? 1987	International Seminar on the "70th Anniversary of the October Revolution" Organized by AAPSO (see text, page 8)
? 1989	International Conference of the WFTU Commission for Engineers, Executives and Technicians (see text, page 4)

Unchanged Dates

Vienna Mid-March 1987	Fourth Vienna Dialogue for Peace and Disarmament Organized by the International Liaison Forum of Peace Forces (ILF) (see Report No 12/86)
New Delhi 1987	International Symposium on Problems of Efficient Use of Science and Technology in Developing Countries Organized by World Federation of Scientific Workers (WFSW) (see Report No 10/85)
East Berlin 23-27 March 1987	International "Peace Seminar of the Youth" organized by the FDJ youth organization (see Report No 12/86)
? 1987	International Conference of Miners and Workers in Energy for Peace and Disarmament Organized by International Organization of Miners (see Report No 10/85)
Vienna March 1987	Meeting of the "Delegation of the Bureau of the International Federation of Resistance Movements" (FIR) (see Report No 7/86)
Vienna March 1987	General Assembly of the International Institute for Peace (IIP)

Arnoldshain, FR Germany 6-10 April 1987	Meeting of the Working Committee of the Christian Peace Conference (CPC) (see Report No 12/86)
Leningrad 1987	Workers' Conference on "The Baltic Must be a Sea of Peace" organized by the Permanent Committee of the Workers' Conference of the Baltic Countries, Norway and Iceland (see Report No 10/86)
Athens 11-14 May 1987	Tenth Congress of the International Federatior of Resistance Movements (FIR) (see Report No 7/86)
East Berlin 19-24 October 1987	Tenth International Conference of the TUI of Workers in the Metal Industry
East Germany October 1988	Meeting of the Continuation Committee of the Christian Peace Conference (CPC) (see Report No 12/86)
Moscow 23-25 June 1987	World Congress of Women organized by the Women's International Democratic Federation (WIDF) (see Report No 12/85)
Moscow June 1987	Ninth Congress of the WIDF (see Report No 12/85)
Havana November 1987	Congress of the International Union of Students (IUS)
New Delhi 1987	Congress of Asian and African Writers organized by the AAPSO Permanent Bureau (see Reports Nos 8 and 9/86)
? 1987	Deliberation of the Chairmen of the European Member Organizations of the TUI of Workers in the Metal Industry (see Report Nos 1 and 2/86)
? 1988	Seventh International Occupational Conference of the TUI of Public and Allied Employees (see Report No 6/86)

East Berlin February 1988	Tenth International Conference of the TUI of Workers of the Building, Wood and Building Materials Industries (see Report No 5/86)
FR Germany 1988	Second International Conference on the Participation of Teachers in the Peace Struggle Organized by "Teachers for Peace"
North Korea 1989	World Youth and Student Festival Organized by World Federation of Democratic Youth (WFDY) and International Union of Students (IUS)
East Germany 1989	Fifteenth General Assembly of the World Federation of Scientific Workers (WFSW) (see Report Nos 8 and 9/86)
Soviet Union ?	International Conference of Muslims Organized by the International Preparatory Committee (see Report No 11/86)
?	World Forum on "Responsibility of Young Scientists for Peace and Social Progress" organized by WFSW (see Report Nos 8 and 9/86)
?	International Conference of all Religions on "Consolidation of Peace and Security in Asia and the Pacific Region" (see Report No 10/86)
Australia ?	International Seminar under the Motto of "School of Peace" Organized by Women's International Democratic Federation (WIDF) (see Report No 10/86)

Secretariat (*)

President	CSSR	Czechoslovak Student Center (CSC/CSUV)
Vice President	Bulgaria	National Student Council of Bulgaria (NSCB)
Vice President	Chile	Council of the Federations of University Students of Chile (JPFUCH)
Vice President	India	All-Indian Student Federation (AISF)
Vice President	N.Korea	Korean Student Committee (KSC)
Vice President	Cuba	Federation of University Students of Cuba (FEU)
Vice President	Mozamb.	Youth Organization of Mozambique (OJM)
Vice President	Namibia	SWAPO Youth League (SYL)
Vice President	Palest.	General Union of Palestine Students (GUPS)
Vice President	Panama	Student Federation of Panama (FEP)
Vice President	Poland	Polish Student Association (ZSP)
Vice President	Senegal	Democratic Student Union of Dakar (UDEI
Vice President	USSR	Student Council of the USSR
Vice President	Vietnam	Natioal Student Federation of Vietnam (UNEV)
Secretary General	Cyprus	Pan-Cypriote Federation of Students and Young Scientists (POFNE)
Secretary	Ethiop.	Revolutionary Ethiopian Youth Association (REYA)
Secretary	El Salv.	General Association of University Students of El Salvador (AGEUS)
Secretary	Ghana	National Union of Ghanaian Students (NUGS)
Secretary	PDR Yem.	Central Council of Yemeni Students (CC
Secretary	Madag.	Democratic Youth and Student Committee for the Protection of the Socialist Revolution of Madagascar (KDIM)
Secretary	Puert.Rico	University Federation for Independence (FUPI)
Secretary	Romania	Union of the Associations of Communist Students in Romania (UASCR)

Secretary	Sudan	Democratic Front of Sudanese Students (DFSS)
Secretary	Syria	National Union of Syrian Students (UNSS)
Secretary	Hungary	National Committee of Hungarian Student Organizations (NCHSO)
Secretary	Uruguay	Federation of University Students of Uruguay (FEUU)
Treasurer	E. Germany	Free German Youth (FDJ) organization

Additional Members of the Executive Committee

Afghanistan	Democratic Youth Organization of Afghanistan (DYOA)
Angola	JMPLA Youth of the Party (JMPLA-JP)
Argentina	Federation of University Students of Argentina (FUA
Bangladesh	Bangladesh Student Union (BSU)
Benin	Association of University Students (CUE)
Burundi	Union of Revolutionary Youth of Burundi, Student Commission (UJRB-CE)
Colombia	National Student Union of Colombia (UNEC)
PR Congo	Union of Socialist Youth of Congo (UJSC)
Dominican Republic	Federation of Dominican Students (FED)
Finland	Suomen Ylioppilaskundtien Liitto (SYL) - Finnish Student Federation
France	National Student Union of France (UNEF)
Guatemala	Association of University Students of Guatemala (AEU
Guyana	Student Council of Progressive Youth Organization (PYO)
Guinea-Bissau	African Youth Amilcar Cabral (JAAC)
Jamaika	Federation of University Students of Jamaika (JUTS)
Japan	ZENGAKUREN (All-Japanese Federation of Autonomous Student Bodies)
Jordan	National Union of Jordanian Students (NUJS)
Kenya	Student Organization of Nairobi University (SONU)
Laos	Revolutionary People's Youth of Laos (JPRL)
Libanon	National Student Union of Lebanese University (UNEU
Liberia	Liberian National Student Union (LINSU)
Socialist Libyan Arab People's Jamahiriya	General People's Education Congress of Jamahiriya Universities (GPECJU)

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Enlace alemán

Cruz POLONIA

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Titel	Las Bases Legales del Servicio Polaco de Inteligencia Exterior (Departamento I del SB)	
Stand	1986	

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Kurzfassung

En el presente estudio se describen las misiones tal como el modus operandi de las bases legales del Servicio Polaco de Inteligencia Exterior (Departamento I del SB)

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INDICE

Prefacio

En el presente estudio se describen las misiones tal como el modus operandi de las Bases Legales del Servicio Polaco de Inteligencia Exterior , Departamento I del Servicio de Seguridad (Służba Bezpieczeństwa =SB) del Ministerio de Asuntos Interiores (MSW).

Las informaciones se obtuvieron de un antiguo oficial des SB que había trabajado en el Departamento I (búsqueda exterior) desde 1974 hasta 1980 y que después de haber prestado servicio como oficial responsable para el cuadro de la situación en el gabinete del ministro del Interior durante 6 meses fue trasladado al Departamento III (protección de la economía, de transportes, de los organismos administrativos y de los medios de comunicación social).

Las declaraciones prestadas por él se consideran como confiables. Además se ampliaron y completaron esas informaciones por antecedentes sueltos existentes, conseguidos de varias fuentes.

1. Generalidades

El Departamento I del SB del Ministerio de Asuntos Interiores responsable para la búsqueda exterior ha establecido bases legales en las embajadas polacas en países occidentales y neutrales.

Los integrantes de tales bases oficialmente trabajan como diplomáticos en las distintas secciones de las embajadas y demás instituciones estatales (consulados, representaciones comerciales, medios de comunicación social etc.); esencialmente, sin embargo, están cumpliendo misiones de inteligencia.

El Departamente I trata de mantener en secreto la procedencia de su personal del Servicio de Inteligencia, y esto no sólo ante personas ajenas sino también ante el personal regular de las embajadas. Para alcanzar este fin, los oficiales del SB,antes de tomar sus cargos en el extranjero,se trasladan al Ministerio de Asuntos Exteriores durante algún tiempo prestando allí un servicio informativo para si mismos.

En el Ministerio de Asuntos Exteriores se introducen tales integrantes del Departamento I previstos para una misión en el extranjero según sus carreras p.e. como "egresado de una universidad, profesor ayudante de un Instituto o dirigente de un combinado industrial". Una vez finalizado su período de actividades allí se trasladan desde el mismo Ministerio de Asuntos Exteriores a su primera destinación extranjera. Es decir, las personas

de su entorno los consideran como miembros regulares del servicio diplomático mientras que en realidad, aparte de su cargo de cobertura dentro de la organización de la embajada, inician sus actividades de inteligencia en el marco de la base legal.

Sin embargo, un funcionario experienciado por muchos años de servicio prestado en el Ministerio de Asuntos Exteriores, destinado al extranjero, sabe muy bien que las secciones consular, económica, técnica-científica tal como las de prensa y cultura,las que tienen que tratar con extranjeros, se componen casi sin excepción de personal procedente del Departamento I.

Por regla general, en las embajadas polacas en países del Pacto de Varsovia trabaja solamente un integrante del Departamento I ocupando el cargo de oficial de enlace con el servicio de inteligencia del país anfitrión.

2. Misiones

Como delegaciones del Departamento I,las bases legales tienen la misión de buscar informaciones secretas del ramo político, económico y técnico, sobre los grupos de emigrados tal como los servicios de inteligencia y seguridad del país en cuestión, pero también sobre los Estados Unidos u otros países miembros de la OTAN, la República Popular de China y Albania.

Aparte de las bases legales del SB e independientes de ellas, en las Embajadas Polacas trabajan también bases legales del Servicio Militar de Inteligencia Exterior Z II

concentrándose en la búsqueda de informaciones militares y técnico-científicas.

3. Integrantes de las Bases Legales

3.1. El Jefe de la Base Legal

En la mayoría de los casos el jefe de la base legal tiene el rango de coronel. En la estructura de la embajada figura con frecuencia como consejero de embajada, jefe de la sección consular o primer secretario, en plan de cobertura.

Cualquier información intercambiada entre la base legal y el cuartel general del servicio o vice versa pasa por el jefe de la base. A él le corresponde dirigir y coordinar las actividades de búsqueda de la base legal tal como el envío de informes al cuartel general.

Como regla general el jefe de la base legal suele ser un oficial del subdepartamento responsable para el país de destinación dentro del Departamento I. Como todos los oficiales del Departamento I,el jefe de la base legal tal como los oficiales subordinados a él han estudiado en la Escuela de Cuadros de Kiejkuty Stare/Mazury, donde se enseñan todas las materias necesarias para cumplir una misión en el extranjero.

Como ocurre en todos los servicios del Pacto de Varsovia, el jefe de la base legal del SB también debe guiar a los integrantes de la base en su trabajo sin exponerse en asuntos de inteligencia. Por eso, sólo en muy raros casos excepcionales, autorizados por el cuartel general,

él mismo se dedica al manejo de fuentes. Por consecuencia los jefes de las bases legales ofrecen muy pocos indicios para su identificación como integrantes de un servicio de inteligencia.

3.2. El Personal de la Base Legal

Cada uno de los oficiales operativos de una base legal ha recibido instrucción de no trabajar sólo por uno o algunos subdepartamentos y no perder de vista los intereses de inteligencia que tiene el Departamento I en su totalidad.

El cuartel general se ha visto obligado a difundir esta instrucción ante la experiencia hecha de que en la práctica los integrantes de las bases legales en primer lugar buscaron informaciones para aquellos subdepartamentos regionales que los habían enviado al extranjero.

Los oficiales operativos de una base legal se ocupan sobre todo de

- manejar fuentes que les habían sido traspasados por sus antecesores o señalados por el jefe de la base y el cuartel general, respectivamente;
- captar a nuevas fuentes e informantes;
- proteger citas clandestinas celebradas por otros oficiales manipuladores de la base
- instalar, cargar y descargar buzones muertos
- detectar y explicar los métodos, las técnicas y los equipos utilizados por los servicios de contraespionaje

del país de acción (país anfitr ón)

- identificar y dar descripciones personales de integrantes de otros servicios de inteligencia que operan bajo cobertura en el país de acción;
  Esta parte de la misión va dirigida también, como es natural, contra las bases legales del BND integradas en las representaciones diplomáticas mantenidas por la República Federal de Alemania en el extranjero.
- identificar y dar descripciones personales de integrantes de los servicios de contraespionaje del país de acción;
- adquirir publicaciones oficiales y semioficiales tales como manuales, directorios y guías telefónicas, mapas de ciudades y demás material cartográfico para el cuartel general;
- comprar varios artículos para fines operativos como p.ej. ropa al estilo occidental y objetos de uso diario según pedidos del cuartel general;
- producir documentos fotográficos o fonográficos de determinadas personas, instalaciones, concentraciones humanas, emisiones de radio y televisión que podrían ser de importancia para el cuartel general;
- llevar la correspondencia operativa.

En casos excepcionales los oficiales operativos reciben la orden de

- tratar de averiguar los posibles motivos que causaron la ruptura de contactos con algunas fuentes mane- jadas directamente desde el cuartel general

- "descargar" a otro oficial manipulador, que al celebrar un encuentro clandestino podría estar bajo vigilancia enemiga, recibiendo secretamente el material entregado por una fuente.

Como en todos los servicios de inteligencia del Pacto de Varsovia vale la regla general que el material obtenido al celebrarse un encuentro clandestino, que en la mayoría de los casos suele ser comprometedor, tiene que ser llevado a la base sin demora.

Tanto los oficiales manipuladores como el mismo jefe de la base se encargan de los trabajos de oficina apoyados aparentemente por sus esposas en casos urgentes aunque en principio está prohibido darles a ellas conocimiento de tales materias operacionales.

3.2.1. Situación económica de los oficiales operativos

Los oficiales operativos reciben sus retribuciones mensuales en la moneda del país de acción menos un importe determinado pagado en Złoty que es ingresado en una cuenta bancaria en Polonia.

En el caso de nuestra fuente se ingresaron 8.500 Złoty en su cuenta en Polonia (la cotización oficial en 1982 era de 1 : 34, es decir, el importe se elevó a DM 250,--).

Una vez terminada su destinación al extranjero, los oficiales operativos pueden disponer libremente de este dinero.

Los gastos para el alquiler de un piso en el país de acción corren a cargo de la embajada. También se paga un importe

global, generosamente determinado según la cantidad de miembros de familia, para los gastos de electricidad. Los costos de teléfono, sin embargo, corren a cargo del abonado. A aquellos operativos que según su función de cobertura están obligados a ciertas atenciones en el ámbito social se les concede un subsidio para los gastos implicados. Los gastos operacionales se reembolsan entregándose los recibos correspondientes. En un caso individual de no existir tal recibo se reconoce también uno producido por el mismo operativo.

Estos arreglos demuestran que los oficiales de inteligencia polacos reciben el mismo trato que sus colegas diplomáticos, sin embargo, no disponen de más medios financieros,como suele ser el caso de los oficiales del KGB comparando su situación con la de los diplomáticos soviéticos.

3.2.2. Viajes privados de oficiales operativos

A los oficiales operativos se les autoriza emprender viajes privados dentro del país de acción e incluso a países vecinos habiendo obtenido el permiso del cuartel general. Con previa autorización del cuartel general también está permitido ponerse en contacto particular,durante las vacaciones,con integrantes de otra base legal del SB fuera del país de acción Sin embargo, los integrantes de las bases legales no siempre solicitan el permiso del cuartel general para tales contactos.

3.2.3 Asistencia escolar de los hijos

Los hijos en edad escolar que viven con sus padres en el

país anfitrión, lo que suele ser la regla, asisten a los colegios públicos y también están autorizados de mantener amistades con sus compañeros.

Esta postura liberal es completamente contraria a los arreglos vigentes en las embajadas de la URS y la RDA, respectivamente. Los oficiales del SB tal como los integrantes de las demás representaciones polacas en el extranjero están fundamentalmente de acuerdo con que sus hijos asistan a los colegios locales y puedan, por lo tanto, vivir con ellos. Volviendo a la patria su reintegración en los colegios polacos desde luego presenta un problema, por un lado por razones de enseñanza propiamente dicha - por diferir los programas de estudios y los métodos de enseñanza - y por otro sobre todo porque los hijos tendrán que acostumbrarse de nuevo a la orientación ideológica de las clases dadas en su patria.

3.3. Centro de cifraje y personal del mismo

Las bases legales del SB y Z II establecidas en las embajadas disponen de su propio personal de cifraje que usa el mismo centro de cifraje aplicando, sin embargo, distintos métodos criptográficos. Los clavistas pasan todos los textos codificados al personal de telecomunicación de las embajadas responsable para la transmisión de los mensajes al centro de comunicaciones del ministerio de Asuntos Exteriores. Los mensajes codificados recibidos en las embajadas los entrega el personal de telecomunicación a los clavistas correspondientes de SB y Z II para su descripta

ción y tramitación inmediata.

Los clavistas no ocupan puestos de trabajo con remuneración determinada. Son oficiales de rangos relativamente bajos o altos, según su edad, subiendo en casos aislados hasta el rango de coronel los que sirven como clavistas. Eso depende exclusivamente de la situación de personal en los servicios de inteligencia polacos. Los clavistas están sometidos a chequeos de seguridad extremamente estrictos.

Como ocurre en el caso de todos los países del Pacto de Varsovia, por lo general no es posible establecer contactos directos con los clavistas de las representaciones diplomáticas polacas. Sin embargo, se conocen casos de clavistas que se han escapado de la observancia rígida de las reglas.

3.4. Los Encargados de Seguridad y demás personal de guardia

Los encargados de seguridad en las embajadas son en la mayoría de los casos integrantes del cuartel general del SB. Pero de vez en cuando son también integrantes del SB de los departamentos de Asuntos Interiores de los distritos administrativos (województwo) que van destinados a ocupar estos cargos en las embajadas. Se trata exclusivamente de miembros muy antiguos y experienciados de la plantilla que gozan de la confianza del cuartel general. Los porteros y el personal de guardia de las embajadas proceden de la "Brigada de la Vístula",* los miembros de la cual han sido

* La "Brigada de la Vístula" es una unidad militar que depende del ministerio del Interior y se encarga de la vigilancia de todos los edificios importantes del Estado y del partido.

entrenados especialmente para misiones de guardia y de protección.

3.5. Los Conductores

Los conductores de las embajadas forman parte del personal del parque móvil o del ministerio de Asuntos Exteriores o del ministerio del Interior. Como estas personas no proceden del SB, aunque fueran trasladadas desde el ministerio del Interior, y por eso no han obtenido entrenamiento en materia de inteligencia, no deben ser empleadas para el apoyo de operaciones de inteligencia.

Las alusiones hechas de vez en cuando en los medios de comunicación social de que los jefes de las bases legales de los servicios de inteligencia de países del Pacto de Varsovia, sobre todo del KGB, trabajen en las representaciones diplomáticas a veces bajo la cobertura de conductores, son completamente falsas. Esto también vale en cuanto a los jefes de las bases legales del SB. Tal cobertura excluiría al jefe de la base legal de la vida social de la embajada, que es esencial para él por varias razones profesionales. No gozaría de la posición diplomática ni de inmunidad y no podría moverse en circulos diplomáticos. Además, un puesto de tan bajo rango no correspondería a la apreciación y al sentido de élite que los oficiales de todos los servicios de países del Pacto de Varsovia tienen de si mismos.

4. La posición de las Bases Legales dentro de las Embajadas

Los embajadores no se ocupan de asuntos que de una u otra

forma afecten a la base legal. Ellos saben, cuáles son los funcionarios de su embajada que tienen que cumplir misiones de inteligencia al mismo tiempo, pero no saben quiénes son los integrantes de su plantilla que colaboran con los oficiales de inteligencia como cooptados. Procuran no cargarles con tareas en el ámbito diplomático fuera de lo normal.

Como los diplomáticos regulares en el marco de sus funciones desde luego también mantienen contactos con personas en el país de acción que son de interés desde el punto de vista de inteligencia, los integrantes de las bases legales aprovechan de algunos de ellos haciéndolos colaborar con el servicio. Estos "colaboradores cooptados" explotan a sus interlocutores informando a sus oficiales manipuladores de los resultados.*
Para esa colaboración los diplomáticos, como regla general, reciben primas mensuales que llegan a importes de entre 200 y 300 marcos alemanes.

Se termina esa colaboración informativa cuando los diplomáticos vuelven al ministerio de Asuntos Exteriores, para ser reanudada por parte del SB en la mayoría de los casos con la próxima destinación al extranjero.

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* De esta forma se obtienen informaciones materiales pero al mismo tiempo se reunen sobre todo datos de personas que pueden ser de interés para fines operacionales.

5. Cooperación entre las Bases Legales del Departamento I y otras del Servicio Militar de Inteligencia Exterior (Z II)

En principio no está permitido que las bases legales del Departamento I cooperen con las correspondientes bases de Z II en el área operacional.

Normalmente las relaciones entre las bases legales de los dos servicios se caracterizan por una cierta distancia provocada por la competencia que se hacen las unas a las otras. En algunos países de acción hasta existen tensiones entre los dos servicios porque, según el Departamento I, el servicio militar se demuestra demasiado agresivo tratando de obtener informaciones y corre demasiados riesgos en la captación y el manejo de fuentes no observando las reglas elementales de la táctica clandestina. Este modus operandi causa - así opina el SB - fallos e inevitablemente también tiene repercusiones negativas para la base legal del Departamento I. Hay paralelas para este fenómeno en las relaciones entre las bases del KGB y las correspondientes de GRU.

6. Cooperación de las Bases Legales del SB con las correspondientes Bases Legales del KGB

Casi no existe ningún contacto entre las bases legales del SB y las correspondientes bases del KGB en países occidentales y neutrales. Sólo en casos excepcionales se establecen tales contactos conforme a las órdenes de los cuarteles generales correspondientes. De parte del Departamento I se ven solamente desventajas en una cooperación con las

bases legales del KGB, porque, según la experiencia, tales cooperaciones suelen desarrollarse en dirección única, sólo facilitando informaciones al KGB. Por eso no se ve ningún provecho en la realización de operaciones conjuntas. Otra razón para la reserva del SB surge de la sospecha de que los oficiales del KGB podrían aprovechar de tales contactos para iniciar una operación de captación. Este temor sujetivo que existe entre los integrantes de las bases legales del SB objetivamente sólo está justificado bajo ciertas condiciones. En principio está prohibido tratar de captar fuentes de entre los integrantes de los "servicios de inteligencia hermanos". Esto, sin embargo,no descarta la explotación de tales oficiales como informantes. Además, bajo ciertas circunstancias, se puede desviar un poco de la línea principal. Esto, claro está, requiere, según información nuestra, la previa autorización por parte de la cúspide del KGB.

Los integrantes de las bases legales del SB saben o suponen que van a despertar la sospecha de los directivos del Departamento I todos aquellos que mantienen contactos con personal de las bases legales del KGB. Además temen ser detectados porque últimamente han sido frecuentes los casos de que oficiales del KGB pasasen de bando.

Generalmente se opina en las bases legales del SB que es prudente evitar toda clase de contactos con la base legal del KGB. Además, los integrantes de las bases legales raras veces saben - con excepción de la agregaduría militar - quiénes son los oficiales del KGB o GRU,tratando por eso a cualquier diplomático soviético con mucha reserva

y precaución. Ante esta situación, por regla general no habrá ningún intercambio de informaciones entre las bases legales del SB y del KGB, respectivamente, sobre bases legales de servicios de inteligencia occidentales y las fuentes manejadas por ellos que tienen contacto con diplomáticos de la órbita soviética.

7. Modus operandi operativo

7.1. Traslado de oficiales del SB al Ministerio de Asuntos Exteriores (MSZ) antes de ser destinados al extranjero

Como ya lo mencionamos en el artículo 1, los oficiales del SB, antes de ocupar un cargo en el extranjero, se trasladan al ministerio de Asuntos Exteriores por razones de cobertura y legalización. Durante su estancia allí se dedican a la lectura de comentarios, análisis e informes procedentes de las embajadas en los países adonde van a ser destinados. Además, en la biblioteca se pueden estudiar las características del país en cuestión en la literatura especial correspondiente. Así, por ejemplo, un oficial trasladado al ministerio de Asuntos Exteriores antes de tomar su cargo en el extranjero se encargó de traducir artículos de prensa de temas políticos de su futuro área de operaciones. Pero aparte de esto, el oficial del SB no recibió más instrucción específica referente a su país de acción durante su estancia en el ministerio de Asuntos Exteriores. Generalmente, se ven a estos oficiales procedentes del SB como un "mal pesado" en el ministerio de Asuntos Exteriores, porque no hacen ningún trabajo pro-

ductivo. El ministerio de Asuntos Exteriores carece de poder directivo frente a los oficiales del SB. Queda a discreción de los mismos oficiales decidir a cuáles integrantes del ministerio se van a dirigir para obtener informaciones más amplias sobre su futuro país de acción. Por lo visto no hay reglas fijas en cuanto a la duración de la permanencia de los oficiales del SB en el ministerio de Asuntos Exteriores. Puede ser cuestión de unas pocas semanas pero también es posible que se prolongue hasta un período de varios meses.

7.2. Transmisión de la correspondencia entre el Cuartel General y las Bases Legales del Departamento I

El ministerio de Asuntos Exteriores se encarga del enlace por correo entre el Departamento I y sus bases legales. Cada sección del Departamento I entrega su correspondencia destinada a la base legal en sobre cerrado al centro de correos del Departamento I pidiendo un recibo. En el centro de correos se acumulan los envíos de las secciones individuales y los pasan en otro sobre cerrado a la oficina de enlace del Departamento I en la sección de transportes del ministerio de Asuntos Exteriores. Allí se preparan los bultos para el despacho definitivo, para ser enviados conjuntamente con la valija diplomática del ministerio de Asuntos Exteriores por mensajeros que, según la urgencia y la distancia a cubrir, viajan o en tren o en avión a las representaciones diplomáticas en el extranjero.

Toda la correspondencia tal como los mensajes por radio o teletipo desde las bases legales llegan también a la

oficina de enlace y pasan de allí al cuartel general del Departamento I.

Los mensajeros suelen ser oficiales ya mayores del SB con muchos méritos y mucha experiencia obtenida durante varios decenios de servicio. En principio viajan de dos en dos y son avisados a las bases legales por teléfono o teletipo antes de su llegada. Un integrante de la base legal los busca en su punto de destino y los lleva directamente a la embajada para efectuar el intercambio de correo. Caso de no ser posible continuar el viaje el mismo día, los mensajeros se quedarán en la embajada hasta la hora de su salida.

Recae en la responsabilidad de la base legal informar a la siguiente base o al ministerio de Asuntos Exteriores tanto sobre la hora de salida y el medio de transporte utilizado por los mensajeros como de la hora de llegada de ellos a su próxima destinación. En cada una de las bases legales se toma nota de las llegadas y salidas de los mensajeros. Aquellos mensajeros del ministerio de Asuntos Exteriores que viajan en avión tienen que hacerlo en aparatos de las Líneas Aéreas Polacas LOT, a ser posible. Por eso, los días de viaje de los mensajeros polacos a sus embajadas en el extranjero se orientan acerca de los horarios de LOT. El número de mensajeros empleados para viajar a países fuera de Europa podría ascender a 30 ó 40. Las embajadas polacas en la parte occidental del continente sudamericano son atendidas por dos pares de mensajeros que alternan por turno. Por regla general, los mensajeros no tienen que cumplir misiones operativas al mismo tiempo.

Sin embargo, hay excepciones a esta regla. En tales casos se emplean mensajeros especiales que suelen ser mucho más jóvenes que los mensajeros regulares.

7.3. Manejo de fuentes humanas

Las fuentes del SB que operan en el extranjero se manejan o desde una base legal o una base ilegal o directamente desde el cuartel general. Tratándose de una fuente de mucha importancia o de otra que necesite mucha protección, el manejo siempre se efectúa directamente desde el cuartel general. Hasta ahora no ha habido indicios de que las bases legales intervengan también en el manejo de ilegales. Por otra parte es posible que las bases legales presten algún apoyo a petición del cuartel general. Esto coincidiría con la práctica general de los servicios de inteligencia de los países del Pacto de Varsovia. También el ilegal Jerzy KACZMAREK, teniente del Departamento I, detenido en la República Federal de Alemania el 14 de marzo de 1.985 fue manejado por un oficial manipulador desde el cuartel general del Departamento I.* Recibió sus órdenes por medio de algunos instructores del cuartel general o por radiofonía (A-3).

Documentos y demás material obtenido por ilegales normalmente es depositado en "buzones muertos" descargados por integrantes de la base legal. Desde allí se lleva el material a Varsovia por mensajero conjuntamente con la correspondencia

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* KACZMAREK fue canjeado el 11 de febrero de 1.986 sin que se haya abierto el juicio oral contra él

Con este método de enlace se evita que en el caso de ser detectado un integrante de la base legal también se vea afectado el ilegal.

7.4. Convenios en cuanto a encuentros y citas

En cualquier momento,los oficiales operativos de una base legal están libres de dejar su trabajo oficial en la embajada para dedicarse a misiones operativas.

Los encuentros se llevan a cabo observando las reglas de la clandestinidad. En casos individuales los oficiales de caso convienen con sus fuentes que estas últimas los llamen 2 ó 3 horas antes de haberse previsto la cita, utilizando un lenguaje convenido,para confirmar el encuentro. Contrario a la práctica de las bases legales del KGB y en parte también del MfS, las bases del SB por lo visto no interceptan la radiofonía de los organismos de contraespionaje locales.

Está prohibido que los oficiales de caso llamen por teléfono a sus fuentes desde la embajada. Esta prohibición no vale, sin embargo, cuando se trate de convenir una cita con un diplomático occidental, o representantes de un organismo administrativo, comerciantes o científicos occidentales explotados en plan de interlocutores (informantes) en el marco de las actividades diplomáticas.

7.5. Contactos con diplomáticos occidentales

Los integrantes de una base legal están obligados a comunicar cualquier contacto que tengan con diplomáticos occiden-

tales al cuartel general del Departamento I. El informe correspondiente, además de los datos personales también contendrá informaciones en cuanto a la situación personal y la opinión política de las personas de contacto. Cuando resulta del chequeo llevado a cabo en el cuartel general que se trata de una persona ya conocida allí, los antecedentes existentes se comunican en seguida a la base legal que ha facilitado el informe. Los integrantes de las bases legales, teniendo en cuenta su misión general, siempre están buscando a interlocutores que parecen ser interesantes bajo el punto de vista de inteligencia. Cuando un oficial de la base legal llegue a la convicción de haber encontrado a un contacto importante para el cuartel general del Departamento I, no hará alusión específica a este detalle en sus informes temiendo que podría perder a este interlocutor a un manipulador del cuartel general.

Los oficiales de las bases legales no se esfuerzan especialmente para establecer contactos con diplomáticos de los Estados Unidos, porque ellos tienen fama de tratar de captar a cualquier interlocutor para fines de inteligencia.

No todos los abordajes por parte de un servicio de inteligencia occidental son comunicados al cuartel general por los oficiales del SB. Pero esto no siempre es una señal que indica que el oficial del SB en cuestión esté dispuesto a cooperar. La razón para esta negligencia hay que buscarla

- en el miedo de ser repatriado con el consiguiente deterioro salarial
- en menores perspectivas para estar destinado al extranjero

otra vez
- en un posible traslado desde el servicio de inteligencia exterior a otro departamento del Servicio de Seguridad.

Esto quiere decir, cuando un oficial del SB se queda en su puesto en el extranjero, después de haber sido abordado sin éxito por un servicio de inteligencia occidental, esto podría ser un indicio que no ha comunicado este intento de captación al cuartel general. Por eso podría ser afortunado otro abordaje poniéndole en una situación difícil psicológicamente.

7.6. Informes

Después de celebrar un contacto clandestino con una fuente o un informante, los oficiales de caso de una base legal tienen que redactar un breve informe para presentarlo al jefe de la base. Una vez aprobado por este último, el texto se codifica y se pasa al clavista para ser cifrado otra vez y transmitido al cuartel general por radio o telex.

El informe detallado por escrito será enviado posteriormente por mensajero.

Tal informe se compone de dos partes:

- la información sobre el desarrollo del contacto y
- la información sobre los datos obtenidos destinada al Departamento de Evaluación

Muchas veces se mezclan las dos partes, práctica que de verdad está contradictoria a las órdenes del Departamento I, pero se justifica por parte de las bases legales con un

exceso de trabajo y se tolera por parte del cuartel general.

En tal caso la sección responsable para la región en cuestión sacará las informaciones interesantes para la Evaluación contenidas en el informe.

Casi nunca se procede a la filmación del informe para enviarlo de tal forma al cuartel general del Departamento I, porque la mayoría de las bases legales carece del equipo técnico necesario.

En las bases legales del KGB y del servicio de inteligencia rumano, en cambio, se filman todos los informes para ser enviados al cuartel general y se guardan los borradores hasta que el cuartel general acuse el recibo de la película a la base.

7.7. Apreciación de las posibilidades operativas de órganos de seguridad enemigos

En las instrucciones sobre la seguridad se avisa a todos los integrantes de una embajada de que la totalidad de las llamadas telefónicas hechas desde o recibidas en la embajada son interceptadas por los servicios de contraespionaje del país de acción.

Para un polaco no representa ningún hecho fuera de lo normal que sus llamadas telefónicas son escuchadas, porque en Polonia siempre tiene que contar con una escucha permanente o temporal de su teléfono de servicio y posiblemente también de su teléfono particular. Por eso incluso en el extranjero por lo general no habla abiertamente haciendo uso del teléfonc sino que recurre a la cobertura de los temas de la conversa-

ción, al uso de codificaciones, y evita mencionar nombres o apellidos a ser posible.

La parte polaca también supone que se podrían haber instalado dispositivos de escucha (chinches) para explorar la embajada. Por eso los integrantes de la embajada con frecuencia mantienen conversaciones sobre temas muy confidenciales dándose un paseo fuera del recinto de la embajada.

7.8. Contraescucha

La oficina T del ministerio del Interior presta apoyo técnico al SB en el cumplimiento de sus misiones, lo que también incluye el chequeo de las bases en el extranjero en cuanto a operaciones de escucha por parte de servicios de inteligencia extranjeros.

Tales chequeos de las embajadas se llevan a cabo por parte de especialistas técnicos de la oficina T que se desplazan desde Varsovia oficialmente como empleados del ministerio de Asuntos Exteriores. Sólo el jefe de la base y el embajador son informados sobre el resultado de los chequeos,los cuales se efectúan por lo general durante el día, estando ausente el personal, o también durante la noche pretendiendo que se trata de una reparación urgente.

8. Destino de oficiales del SB declarados "persona no grata"

No hay reglas fijas para el futuro empleo de un oficial del SB expulsado de su país de acción. Depende de la calificación y de los enchufes que tenga el oficial en cuestión dentro del Departamento I.

Así el Segundo Secretario de la Embajada polaca en Colonia, Ryszard DZIŚNIEŃSKI, retirado por el ministerio polaco de Asuntos Exteriores el 5 de junio de 1.986 en relación con un asunto de espionaje, dejó entrever conversando con un interlocutor occidental que no tendría problemas dado que su tío era general.

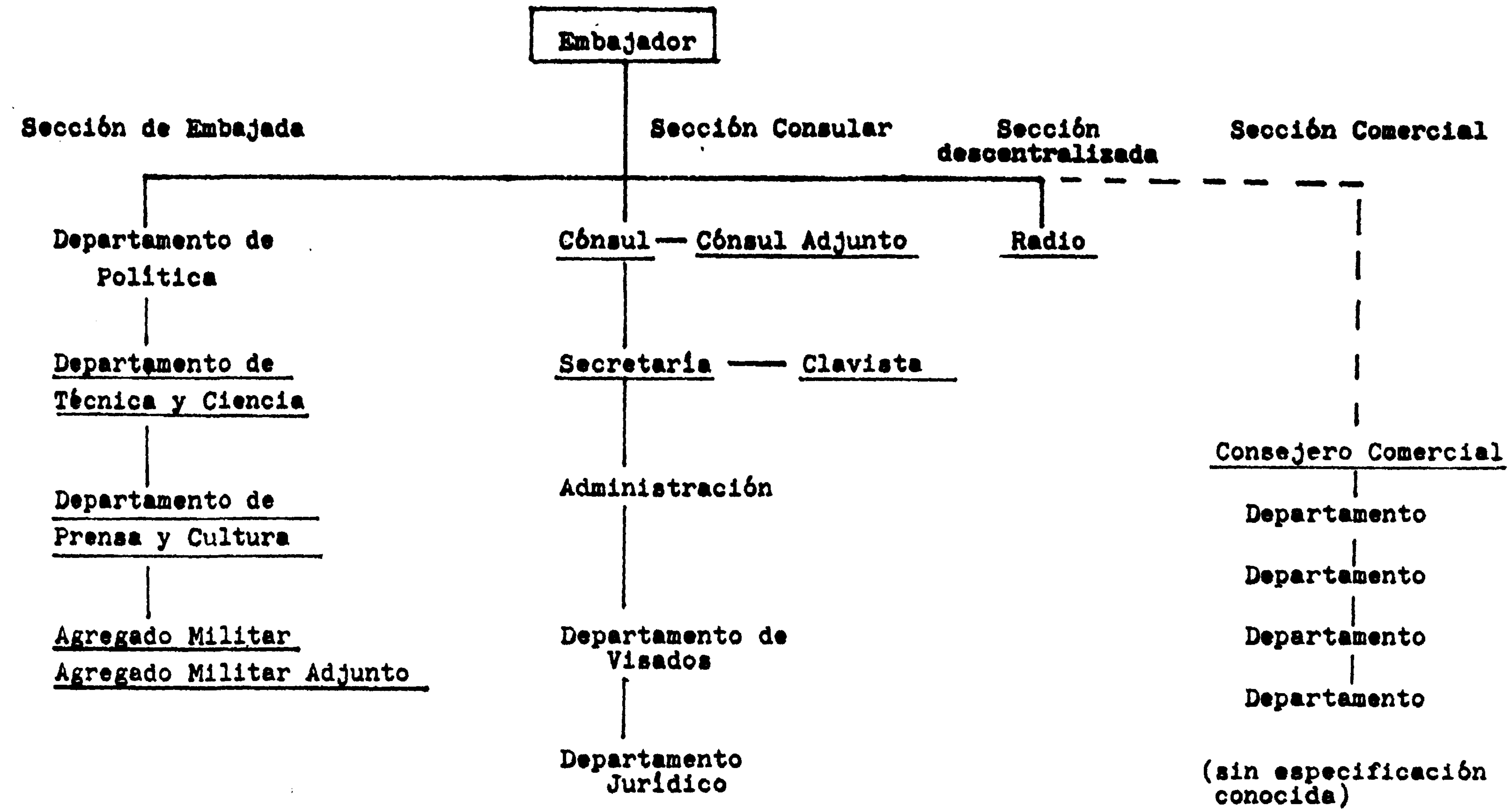
El hecho de declarar a un oficial persona no grata normalmente tiene como consecuencia que dentro del servicio se procederá a un chequeo de seguridad lo que resulta en la detección de errores cometidos por el oficial en cuestión en primer lugar y menos por el jefe de la base o por algunas secciones del cuartel general. Los oficiales del SB polaco saben perfectamente que esto también ocurre como consecuencia de ser declarado persona no grata.

Casi nunca es posible cambiar al servicio diplomático regular porque al mismo ministerio de Asuntos Exteriores le sobra personal. Por eso, después de algún tiempo de espera se trata de trasladar a otros países más pequeños de Occidente o del Tercer Mundo a tales oficiales del SB expulsados como diplomáticos, lo que se consigue de vez en cuando. En el caso de que resulte imposible destinar a tal oficial de nuevo al extranjero e inconveniente emplearle en el cuartel general del Departamento I, se decidirá desplazarle a otro Departamento del SB.

Tal desplazamiento normalmente se entiende como una discriminación por los integrantes del Departamento I. Tiene como consecuencia mermas salariales y menores perspectivas para un ascenso.

Por lo general, hay mucho temor entre los oficiales del SB ante la posibilidad de ser declarados persona no grata. Pues aunque por sus enchufes tal oficial consiga otro puesto en el extranjero, cabe decir que un traslado a París será preferible a otro a un país africano, donde será más fácil que le den el placet a un diplomático declarado persona no grata en otro país, mientras que en los países miembros de la OTAN pasará a la lista de las personas a las que les queda vedada la entrada.

ORGANIGRAMA DE UNA EMBAJADA POLACA MEDIANA



Colorado = Ocupado por un integrante del Departamento I

Verde = Ocupado por un integrante de Z II

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9.1. Advertencia

Entre los 13 diplomáticos del ejemplo dado se encuentran 5 integrantes confirmados del SB y 3 de Z II.

Esto quiere decir que incluyendo al personal auxiliar la mitad de todos los integrantes de la embajada trabaja también para un servicio polaco de inteligencia. Hay que tomar en consideración que en la oficina del Consejero Comercial habrá otros puestos más ocupados por integrantes preferiblemente de Z II, mientras que en el Departamento de Visados es muy probable que se hayan colocado por lo menos algunos cooptados.

Cuando se nombre a un integrante del SB para el cargo de embajador - se han sabido algunos pocos casos - éste dejará las responsabilidades del ministerio del Interior. Mientras ocupe el cargo de embajador se abstendrá de cumplir misiones de inteligencia.

Tit...

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Translation follows

Polonia

135/C

28.04.87

MELDUNG | POL

TgbNr	412/87 VS-Vertr.

Titel	Polen: Warschau sieht bei Verständigung mit dem Vatikan Möglichkeiten für eine weitere innenpolitische Öffnung

Zeit der Festst.	April 1987	Bewertung	F-3 (B von F)

Kurzfassung

Die polnische Führung bewertet die bisherigen Erfahrungen mit dem Konsultativrat (beim Staatsrat) insgesamt positiv. Die Institution sei geeignet, die großen gesellschaftlichen Gruppen für eine gemeinsame Lösung anstehender gesellschaftlicher Probleme zu gewinnen. Man überlege zur Zeit die Möglichkeit einer Aufwertung des rechtlichen Status des Rates bei gleichzeitiger personeller Ausweitung und Einbeziehung auch regimekritischer Vertreter der "Solidarität" und der katholischen Kirche. Die weitere Entwicklung des Konsultativrats wird jedoch in entscheidendem Maße von den Ergebnissen des kommenden Papst-Besuches in Polen abhängig gemacht.

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1. Einem Hinweis eines höheren polnischen Diplomaten im westlichen Ausland zufolge beurteilt die Führung in Warschau die bisherigen Erfahrungen mit dem Ende 1986 konstituierten Konsultativrat (beim Staatsrat) insgesamt positiv; es sei erkennbar, daß diese neue Institution tatsächlich geeignet sei, die "großen gesellschaftlichen Gruppen" über eine Zusammenarbeit mit dem Staat für eine gemeinsame Lösung der anstehenden gesellschaftlichen Probleme zu gewinnen.

   Innerhalb der polnischen Führung sei man von der Bedeutung des Konsultativrates inzwischen überzeugt; man diskutiere bereits darüber, den rechtlichen Status des Rates aufzuwerten. Dies sei jedoch nur dann sinnvoll, wenn die Mitgliederzahl des Konsultativrates unter Einbeziehung auch regimekritischer Vertreter der "Solidarität" und der katholischen Kirche erheblich vergrößert werde.

2. Zur Zeit werde die dritte Sitzung des Konsultativrates vorbereitet. Im Interesse der Mitglieder dieser Institution gebe es jeweils keine feste Tagesordnung; damit solle der Eindruck vermieden werden, daß bestimmte Themen aus der Diskussion ausgeklammert werden.

3. Die weitere Entwicklung - so vermerkte der Diplomat einschränkend - hänge jedoch in entscheidendem Maße von den Ergebnissen des Papst-Besuchs im Juni d.J. ab.

<u>Stellungnahme</u>

1. Die Bewertung des Diplomaten ist offensichtlich mit Absicht an die Adresse der katholischen Kirche gerichtet, die sich bisher eher zurückhaltend gegenüber dem Konsultativrat verhalten hat. Insofern kann ihr ein gewisser sprachregelnder Charakter unterstellt werden. Andererseits zeigen die Aussagen, daß sich die polnische Führung noch keineswegs über den

Status dieser Institution im klaren ist. JARUZELSKI hatte - nach einem Hinweis aus Parteikreisen - in seiner Begrüßungsrede anläßlich der ersten Sitzung des Konsultativrates (nach der Konstituierung) Ende Februar diesen gesellschaftspolitischen Organismus als ein "interessantes Experiment" der Demokratisierung der Gesellschaft bezeichnet; der Rat erhalte die Möglichkeit, bei der Suche und Festlegung beschreitbarer Wege zur Erreichung nationaler Ziele - nicht ohne Kompromisse - mitzuwirken; die Aufgabe und Chance des Rates liege darin, der Warschauer Führung noch unbekannte Meinungen und Alternativen zu unterbreiten.

2. Parteifunktionären zufolge soll sich JARUZELSKI parteiintern in der Anfangsphase des Konsultativrates "insgesamt ernüchtert und enttäuscht" über dieses Gremium geäußert haben. Er habe es als eine Ansammlung von Individualisten mit ausgeprägter Neigung zur Selbstdarstellung bezeichnet; der Rat sei unfähig, sich auf eine gemeinsame Linie zu einigen; er sei zu groß geraten, ihm fehle eine geeignete Organisation bzw. Administration. Insgesamt sei die Konstruktion des Rates fragwürdig und könne sich als Fehlinvestition erweisen.

3. Angesichts dieses Urteils hält die polnische Führung eine sinnvolle Weiterentwicklung des Rates zu einem verfassungsrechtlich untermauerten Organ offensichtlich nur für gegeben, wenn sich auch die Kirche als eine entscheidende "gesellschaftliche Gruppe" dezidiert für eine Mitarbeit im Rat entscheidet. Möglicherweise wird dieses Thema auch Gesprächsgegenstand beim Papst-Besuch sein.
Primas GLEMP hat am 15. April mit Mitgliedern des Konsultativrates (u.a. mit AULEYTNER, GIERTYCH, SILA-NOWICKI) konferiert; dies könnte ein Hinweis darauf sein, daß sich die katholische Kirche im Hinblick auf den Papst-Besuch mit diesem Thema intensiv befaßt und Vorbereitungen für entsprechende Gespräche über den Konsultativrat trifft.

TRADUCCION
Confidencial/Oficialmente secreto
28.04.1987 INFORME POL (Polonia)
Título: Polonia: Varsovia ve en el entendimiento con el Vaticano posibilidades de una nueva apertura política interna.---
Fecha de la constatación: Abril 1987
Evaluación: F-3 (de B a F)

Resumen: La conducción polaca evalúa a la fecha, las experiencias con el Consejo Consultivo (adjunto al Consejo de Estado) en general como positivas.- La Institución es apropiada para conquistar los grandes grupos sociales para una solución común de los problemas sociales futuros.- Actualmente se piensa en la posibilidad de una revaluación del "status" legal del Consejo con la simultanea ampiación en lo personal y la integración con representantes de críticos del regimen de "Solidaridad" y de la Iglesia Católica. El futuro desarrollo del Consejo Consultivo dependerá sin embargo, en una medida decisiva de los resultados de la próxima visita del Papa a Polonia.-

POLONIA

1. Según informe de un alto diplomático polaco en territorio extranjero occidental, la conducción en Varsovia juzga las experiencias hasta la fecha, con el Consejo Consultivo (adjunto al Consejo de Estado) creado a fines del año 1986, en general como positivas; se reconoce, que esta Institución nueva está realmente capacitada, para ganar los "grandes grupos sociales" para una colaboración con el Estado por una solución conjunta de los actuales problemas sociales.-
Dentro de la conducción polaca, se ha llegado mientras tanto al convencimiento de la importancia del Consejo Consultivo; se dialoga ya sobre la revaluación del "status" legal del Consejo.- Esto no obstante solamente tendría sentido, si el número de miembros del Consejo Consultivo fuese sensiblemente aumentado con la inclusión de representantes críticos del regimen de "Solidaridad" y de la Iglesia católica.-

2. En el momento se halla en preparación una tercera Reunión del Consejo Consultivo.- En interés de los Miembros de esta Institució no exite un orden del día vigente; con ello se pretende evitar la i presión de que determinados temas puedan ser excluidos de la discu.

3. El desarrollo posterior - indicó el diplomático en forma limitativa - dependerá, sin embargo en medida decisiva, de los resultados de la visita del Papa en Junio de este año.-

O p i ñ i ó n

1. La evaluación del diplomático está dirigida con toda evidencia con intención a la Iglesia católica que hasta ahora se ha mantenido mas bien retraida frente al Consejo Consultivo.- En esta forma puede serle imputada un caracter regulador de conversación o de tema.- Por otro lado muestran las declaraciones que la conducción polaca no tiene aún una opiñión clara sobre el "status" de esa Institución.- JARUZELSKI, según informaciones en círculos partidarios, calificó durante su discurso inaugural con motivo de la 1ra. Reunión del Consejo Consultivo a fines de Febrero, a este Organo Politico Social como un "interesante experimento" de la democratización de la Sociedad; el Consejo recibe la posibilidad de colaborar - no sin compromisos - en la búsqueda y fijación de caminos viables para alcanzar metas nacionales; la misión y chance del Consejo está dado en xxx presentar a la Conducción de Varsovia opiñiones y alternativas aún desconocidas.-

2. Según funcionarios del Partido, JARUZELSKI se habría manifestado, en conversaciones interno-partidarias, en la fase inicial del Consejo Consultivo, sobre el gremio como "desilusionado y frustrado".- El habría designado al Consejo como una colección de individualidades con acuñada inclinación a la promoción personal; el Consejo es inapaz de unificarse en una linea común; ha crecido demasiado, le falta una adecuada Organización (Administración).- En general la construcción del Consejo es dudosa y podría resultar un error.-

3. De acuerdo a esta opiñión,la Conducción polaca encontraría util un mayor desarrollo del Consejo como un Organo contitucionalmente legal - evidentemente - solamente si la Iglesia se decide a actuar como "un grupo social decisivo" y se compromete a colaborar en el Consejo.- Posiblemente será tema de conversación durante la visita papal.-
El Primado GLEMP ha conferenciado con miembros del Consejo Consultivo el 15 de Abril(entre otros AULEYTNER,GIERTYCH,SILA'NOWICKI); esto podría constituir una demostración de que la Iglesia católica se prepara intensivamente con este tema, en vista de la visita papal y procura y realiza las correspondientes conversaciones sobre el Consejo Consultivo.-

Tte.Cnel.(Av)Diether Herter
Montevideo,Setiembre 3 de 1987

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28 April 1987

POLITICAL REPORT

TgbNr.: 412/87 VS-V

Subject : Poland: Possibilities for Further Liberalization Seen by Warsaw after Arrangement with the Vatican

DOI : April 1987

Evaluation : F - 3 (B from F)

Summary

Generally, the Polish leadership takes a favourable view of its experience so far with the Consultative Council (attached to the Council of State). This institution, it said, was capable of winning the large social groupings for joint efforts to solve current social problems. There have been considerations, at present, to improve the legal status of the Council and, at the same time, to increase its membership and to include also representatives of "Solidarity" and the Catholic Church critical of the regime. However, further developments regarding the Consultative Council would decisively depend on the results of the forthcoming visit of the Pope to Poland.

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1. According to a senior Polish diplomat based in the West, the leadership in Warsaw is generally taking a favourable view of its experience so far with the Consultative Council formed in late 1986 (and attached to the Council of State). It was recognizable, it said, that this new institution was capable, in fact, of winning the "large social groupings" for cooperation with the State in solving the current social problems.

   The Polish leadership, the diplomat said, had meanwhile become convinced of the importance of the Consultative Council; there had already been discussions about improving the legal status of the Council. But this would only be appropriate if the membership of the Consultative Council was considerably increased including also representatives of "Solidarity" and the Catholic Church critical of the regime.

2. At present, preparations were being made for the third session of the Consultative Council. In the interest of the members of this institution, however, there had been no fixed agendas, in order to avoid the impression that specific subjects were excluded from discussion.

3. But the further development, as was restrictively stated by the diplomat, would decisively depend on the results of the visit of the Pope in June of this year.

Comment

1. Obviously, the assessment of the diplomat has, by intention, been meant for the Catholic Church, which, so far, rather has adopted a reserved attitude vis-à-vis the Consultative Council. It may therefore be seen as reflecting the official stance. On the other hand, the statements show that the Polish leadership is not at all certain yet about the status of this institution. According to information from party circles,

JARUZELSKI, in his welcoming speech on the occasion of the first session of the Consultative Council (after it had been formed) in late February, had called this social-political institution an "interesting experiment" toward democratization of the society. The Council, he said, was given the possibility of cooperating in the search for and the definition of viable ways for reaching national objectives - not without compromises, however; its task and chance being to submit to the Polish leadership opinions and alternatives still unknown to it.

2. According to party functionaries, JARUZELSKI within the party allegedly expressed a "disillusioned and disappointed" view about the Consultative Council in the early phase of this organ, calling it a conglomeration of individualists with marked inclinations for self-presentation. The Council, he said, was unable to adopt a common line, it was too large and was lacking a suitable organization and administration. In general, the concept of the Council was questionable and could prove a poor investment.

3. This judgement shows that the Polish leadership obviously thinks that it will only be appropriate to put the Council on a constitutional basis if also the Church, being a most important "social grouping", explicitly decides to cooperate in the Council. This issue will possibly also be talked about during the Pope's visit.

   On 15 April, Primate GLEMP had a discussion with members of the Consultative Council (with AULEYTNER, GIERTYCH and SILA-NOWICKI, among others), which could indicate that the Catholic Church, in view of the visit of the Pope, is dealing with this matter at some length and making preparations for pertinent talks about the Consultative Council.

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14 May 1987

SUPPLEMENTARY POLITICAL REPORT

TgbNr. 1424/87 VS-V

Subject: Dominican Republic - Aspects of the Domestic Situation

Cutoff Date: Late April 1987

Summary

1. Government Policy Priorities

Among other things, crackdown on corruption and continuation of the 1972 agricultural reform.

2. Government Makeup

The government consists mainly of technocrats who are no members of the ruling party. One cabinet member, Minister VANDERHORST, even comes from a faction of the opposition party.

3. Succession Question

Although this question is irrelevant with the aged and almost blind President being as robust as ever, there are several "aspirants" who would not be averse to undertaking the presidency in the event of BALAGUER's sudden departure or at least to running for presidency in the 1990 elections. BALAGUER himself is not interested in grooming a successor, but appears to favor the incumbent secretary of state of foreign relations, REID CABRAL.

4. Situation Within the Ruling Party

The ruling party's feeling of being slighted has given rise to dissatisfaction, a lack of interest and to factionalism within the ruling party, which, however, does not compromise the party's cohesion and strength.

5. Position of Government in Congress

BALAGUER's party commands a comfortable majority in the Senate; his majority in the Chamber of Deputies is so thin, however, that he depends on ad hoc support from opposition forces. The fact that the largest opposition party is split and that the second opposition party often adopts a neutral position is of some help to him, though.

6. Crackdown on Corruption

Successes in this area have won the President and the government prestige and recognition, even among the political opponents. The measures against former members of the armed forces have not generated major tensions between the military and the government.

7. Continuation of the 1972 Agricultural Reform

BALAGUER has always paid special attention to the agricultural sector, especially to the rural population. The effect of this was that these circles have so far provided the most substantial support for him. BALAGUER is careful to consolidate the ties with the rural population.

8. Outlook

Cases of violent land-taking in the north in April 1987 suggest that the ruling party and radical left-wing forces might in future contend for the rural population.

1. Government Policy Priorities

Eight months after taking office (August 1986), President Joaquin BALAGUER has definitely consolidated his position in Congress and vis-a-vis the ruling party, the opposition party and the armed forces. He pursues a determined and consistent government policy with a vigor that the aged and almost blind head of state had not been believed to possess any more. The priorities of this policy are:

- Creation of jobs, especially in the road building and housing sector;
- push for acceptance of an austerity program;
- crackdown on corruption and drug trafficking;
- agricultural reform.

BALAGUER has succeeded in portraying his government as having authority and as being credible, especially by cracking down mercilessly on all forms of corruption in the administrative sector and in the armed forces. Compared with the style of government during his previous tenures - BALAGUER was President from 1960-62 and from 1966-78; in 1986 he was elected President for the fifth time - his current leadership can still be termed authoritarian but is much more moderate. Politically, the President has moved far to the center from a right-wing position. The energy he displays in handling the day-to-day affairs does not give the slightest indication that his age- or health-related handicaps might be exloited or that he would have to resign early from the office of head of state.

2. Government Makeup

The members of the BALAGUER government are largely technocrats, with most of them coming from the middle class. The majority of ministers are no members of BALAGUER's party; one of them, Secretary of State of Sports Andres VANDERHORST, is even a member of the splinter group "La Estructura", which is part of the opposition party PRD (Partido Revolucionario Dominicano). Key parts within the government are played by Vice President Carlos MORALES TRONCOSO, who is considered to be the epitome of an unpolitical technocrat and who cultivates the government's contacts with the upper class and entrepreneurial circles, as well as by the legal adviser to the President, Mario READ VITTINI, who had already cooperated with BALAGUER in the past, and by the capable Secretary of State of Foreign Relations, Donald REID CABRAL, who is reported to have the President's ear.

3. Succession Question

The three men mentioned above would be likely candidates to succeed BALAGUER in the event of his unexpected departure or in the next general elections (1990). The signs are that despite BALAGUER's robustness, the question of his possible successor is of great interest to the public. The President himself displays indifference,

making no efforts at all to groom a successor. In addition to these three men, there are other personalities in the ruling party PRSC (Partido Reformista Social Cristiano) who could be presidential candidates. One of them is ALVAREZ BOGAERT, who can rely on a large body of partisans and who was once considered to be the "heir apparent" to the President but has now fallen from grace because he is suspected of corruption. Also mentioned as a possible candidate was BALAGUER's nephew, Joaquin RICARDO BALAGUER. He took over the New York consulate general in January 1987; BALAGUER himself is said to have put him in the way of this job to enable him to pay his debts. REID CABRAL is believed to be the current front-runner in the race for BALAGUER's succession. Although he was an opponent of BALAGUER in the past, he was appointed by him as Secretary of State of Foreign Relations, which is assessed as a sign of particular confidence.

4. Situation Within the Ruling Party

The fact that the ruling party PRSC (Partido Reformista Social Cristiano) did not receive a fair share of government offices and was passed over and neglected in shaping the government policy has resulted in the PRSC members developing a considerable amount of discontent and unconcern as well as in their forming factions, which has so far, however, not been prejudicial to the party's cohesion and strength. The formation of factions is the result of growing dissension among the supporters of READ VITTINI, REID CABRAL and ALVAREZ BOGAERT. The two senators Jacinto PEYNADO and JIMENEZ MESON, however, are increasingly coming into prominence, too. Their partisans are younger party members, and President BALAGUER appears to be more ready to lend his ear to them than to the "old" politicians.

The main problem within the PRSC is that there attempts to suppress the grouping of ALVAREZ BOGAERT, the strongest group within the party. Although ALVAREZ B. had in 1982 been BALAGUER's candidate for the vice presidency, he has now virtually been dropped because of his being disposed to corruption. ALVAREZ BOGAERT has protested strongly against all charges and emphasizes the services he has rendered to the party; he contended, for instance, that BALAGUER's last electoral campaign, and final victory, had largely been financed by himself (BOGAERT). The growing discontent within the PRSC might generate tension bedevilling relations between the ruling party and the head of state.

5. The Government's Position in Congress

While BALAGUER's PRSC in the May 1986 elections won a comfortable majority in the Senate - 22 of 27 seats -, it performed less well in the Chamber of Deputies: only 56 of a total of 120 seats were gained by the PRSC, whereas the opposition parties PRD (Partido Revolucionario Dominicano) and PLD (Partido de la Liberacion Dominicana) secured 48 and 16 seats respectively, which laid BALAGUER under the necessity of winning additional support from opposition forces.

After a protracted phase of uneasiness, the President succeeded in securing solid support in parliament, with the following two factors facilitating his efforts:

- The largest opposition party PRD is divided in three factions fighting each other. One of them, "La Estructura", is close to BALAGUER because of its dislike for the other factions' outright obstruction policy. A member of "La Estructura" is the Minister Andres VANDERHORST. Moreover, the PRD's parliamentary influence is very limited by the charges of corruption against the former President Jorge BLANCO.
- The second party, the Marxist-oriented PLD under Juan BOSCH has so far adopted a moderate and neutral attitude in voting. Although they are political opponents, BALAGUER and BOSCH are said to have respect for each other. It is assumed, however, that BOSCH's attitude is derived from tactical considerations and that, biding his time, he will take the offensive later on to secure the voters' support in the 1990 elctions.

In Congress, too, Minister VANDERHORST appears to play a special role. His task is to maintain warm relations with the country's left-wing forces, but also with Cuba and other Socialist countries. He has thus far managed to contain the anti-government attacks launched by the left wing in Congress, thus leaving BALAGUER maneuverable.

6. Crackdown on Corruption

During BALAGUER's current term of office, his crackdown on corruption has won him most recognition. The government keeps ostentatiously on the sidelines of this campaign, leaving it to the judiciary to expose former government, police or armed forces members as criminals. Four former generals are currently being detained, 20 were retired, several functionaries of the former ruling party PRD were arrested and the former President Jorge BLANCO, who lost to BALAGUER in the last elections, has been under investigation since early January 1987. In early May BLANCO eluded his threatening arrest by taking to the Venezuelan embassy. Initially, BLANCO had hoped that his friends in the party would help him, but all of them have fallen away. Not least for this reason, the PRD is in a state of disintegration and division.

The purge in the armed forces of 16 October 1986 was also related to the anti-corruption campaign. This purge had brought the dismissal of the Secretary of State of Armed Forces, CUERVO GOMEZ, and of 33 officers, including the 20 generals mentioned above. Although the purge came as a suprise to the armed forces, the government-military relationship was not seriously strained. BALAGUER is held in high esteem in the armed forces. His statement that only his sense of responsibility made him undertake the presidency sounds credible. It is backed by the fact that he refrained from filling government posts with fellow party members.

The intensity and determination with which the campaign of moral renewal is conducted has met with a favorable echo not only in government circles and in the security forces; even BALAGUER's political opponents acknowledge his successes, paying tribute to

him.

7. Continuation of the 1972 Agricultural Reform

Agriculture enjoys high priority in BALAGUER's activities. During his previous tenures, too, he had taken special care of the situation of the small farmers and farm laborers as well as of the numerous farmers' communities (("comunidades de campesinos") and had directed his efforts toward an effective agricultural reform. Bearing this goal in mind, he had made himself head of the Institute of Agriculture in 1970 and started an agricultural reform in 1972, which won him high esteem among the rural population. BALAGUER owed his victory in the 1974 elections to the support from the "campesinos", and in the 1986 elections, too, the rural electorate secured his victory. BALAGUER is anxious to pick up where he left off and to upgrade his effort by new programs. Since he took office in August 1986, the President has made numerous visits to the rural population, covering thousands of kilometers. This barn-storming has resulted in his conquering strongholds of the former ruling party PRD; a growing number of PRD supporters are reported to be switching their allegiance to BALAGUER, obviously out of disappointment at the bribery scandals and intra-party quarrels.

8. Outlook

It was reported in early April 1987 that about 500 campesinos had violently seized state and privately owned estates in the north of the country and had started cultivating the land. Further incidents of land-taking had been prevent by the police by force, the report said. This may be initial indications of a future increase in activities by left-wing radicals which are aimed at sabotaging the government's agricultural program and sapping the support provided for BALAGUER by the rural population. It cannot be ruled out that this was the kickoff for the fight between the ruling party PRSC and the leftist parties PRD and PLD for the rural electorate and that the Dominican Republic is thus in for a phase of political unrest.

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28 April 1987

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<u>Supplementary Political Report</u>

TgbNr 1360/87 VS-V
Country : Hungary
Subject : Controversies Involving the Writers' Association

Cutoff Date : April 1987

Summary : In the wake of attempts by the Hungarian leadership to exert influence, internal quarrels and tensions have surfaced in the writers' association. Nationalist "populists", anti-regime "urbanites", "bourgois democrats" and HSWP members of every political denomination had clashed. With only three HSWP members in the 71-member board, the association continues to be tolerated. But the formation of a parallel trade union has provided the regime with an instrument for applying pressure.

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The 7th congress of the Hungarian writers' association took place in Budapest on 29 and 30 November 1986.
Apparently triggered by a massive intervention attempt of HSWP Central Committee secretary Berecz for "taking into account Hungarian realities", i.e., for moderating/taking back massive criticism of various elements of Hungary's day-to-day affairs, the amount of pent-up criticism fully erupted among the 444 participants (out of 611 members). The ground had already been prepared by accusations of Culture Minister Köpeczi at the congress to the effect that members of the writers' association would principally call into question the policy of the HSWP. He particularly denounced links with "szamizdat" and "anti-Hungarian" emigré circles which had cast into doubt the legitimacy of the regime and/or the party. Conversely, a whole range of accusations was launched from among the members aimed at censureship practices, latitude for authors, inadequate commitment for the Hungarian minority in Romania, deterioration of the social situation in Hungary (pauperism, alcoholism, suicide rate, etc.).

The secret ballot for a new board reflected these controversies. Only three HSWP members are said to be on the new board, among them the coopted secretary general, Miklos Veress, a former editor-in-chief of the journal Mozgo Vilag; 15 members were not reelected to the 71-member board. A minimum of 28 and a maximum of 50 members have meanwhile left the association for fundamental factual or personal reasons. Among them are

- Laszlo Gyurku, author of the official Kadar biography,
- Istvan Nemeskürty, director of the MAFILM movie company and head of the Hungarian cinematheque,
- Imre Bata, editor-in-chief of the politico-literary weekly Elet es Irodalom (life and literature), on the board until November 1986,
- Ferenc Juhasz, author, editor, since 1963 with the journal for young authors Uj Iras (new literary activity), on the presidium of the People's Patriotic Front, parliamentary deputy for Budapest, on the board until November 1986,
- Istvan Kiraly, author, member of the educational-policy working group of the HSWP Central Committee,

- Istvan Szerdahelyi, editor-in-chief of the cultural-policy monthly Kritika,
- Sandor Fekete, editor-in-chief of the cultural weekly Uj Tukor (new mirror),
- Szilveszter Ordogh, author, on the board until November 1986, originally a candidate for the office of secretary of the association,
- Janos Foldeak, author, on the board until November 1986,
- Geza Molnar, author, on the board until November 1986,
- Magda Szabo, internationally known author, on the board until November 1986,
- György Konrad, author, Herder (German philosopher and writer) Prize laureate.

On 26 January 1987, a meeting of the roughly 160 HSWP members of the writers' association took place on the grounds of the HSWP Central Committee, where Kritika editor-in-chief Szerdahelyi - who had left the organization - called for the formation of a pro-regime (rival) association. But this proposal did not find enough support.

On 31 January 1987, the founding meeting for a "trade union organization for free-lance and other authors, poets and translators" took place in Budapest. Among the 111 members are members and ex-members of the writers' association.

The formation of this writers'/translators' trade union had been discussed for years - as well as the setting-up of a journalists' trade union - without success thus far. It has no direct connection with the tensions in the writers' association and with the differences between this organization and the regime. Nevertheless, immaterial and material incentives of trade union membership give the organization some leverage on the writers' association which - if desired by the regime - can be stepped up and used in competition with the writers' association - but this means a further radicalization of the association. Demands for a development toward a bourgeois democracy in Hungary, politico-military neutrality of the country and establishment of an ethnic Hungary would then ultimately have to be combated with administrative measures ending in the decreed disbanding (de facto: ban) of an official interest group!

It is a sign of the explosive nature of the tensions between the writers' association and the regime that both reform-minded secretary general of the People's Patriotic Front Pozsgay and "cultural guru" Aczel (on the Politburo of the HSWP Central Committee) have declined to mediate between the regime/political leadership and the writers' union. The reason behind Pozsgay's refusal might have been his fear that any such activity might harm him politically after demands for replacing Minister of Culture Köpeczi by Pozsgay had been aired in the writers' union.

VS-NUR FÜR DEN DIENSTGEBRAUCH

30 March 1987

TgbNr.: 0106/87 VS-Nfd

SUPPLEMENTARY ECONOMIC REPORT

Subject : Bulgaria - Economic policy and development in 1986

Cutoff Date : March 1987

Summary:

In 1986 important economic policy decisions included the introduction of "self-administrating socialist organizations", the passing of the new economic law and the new labor law as well as the reorganization of the government and the economic apparatus. Despite all changes the state is still vested with numerous intervention and authorization rights. The national income rose in 1986 by 5.5% (plan: 4.0%), industrial production by 4.3% (plan: 4.5%) and agricultural production by 10% (plan: 7.5%). The investment volume was more limited than planned. Problematical are the high energy and raw material consumption, excessive stocks of raw materials and intermediate products, limited labor productivity and a great number of non-completed investment projects. In the supply of the population occasional bottlenecks were noted, even though there was no general deterioration. The foreign trade turnover decreased by 1.1% on account of restrictive measures in Western imports in the 2nd half of 1986 and reduced exports to the West.

Bulgaria:

Economic policy and economic development in 1986

1. Economic policy

1.1 Economic policy guidelines

In 1986 important economic events were the 13th Party Congress of the Bulgarian Communist Party (BCP) (02 - 04 April 1986), the plenum of the BCP Central Committee (22 - 23 December 1986) and the gradual reorganization of the government.

The economic objectives outlined at the party congress included "intensification", "technological renewal" and "improvement of product quality". They are to be reached by means of a decentralization of the operational decisions, self-financing of the enterprises (according to the Bulgarian official version "creation of self-administrating socialist organizations"), wages based on efficiency and more realistic prices. The new economic law, i.a. regulating government control of the economic activities, the rights of the self-administrating organizations, planning, pricing, wages, the rights of the banks, control and responsibility, etc., was passed in December 1986 by the Central Committee plenum and the Council of Ministers and published in January 1987. A final comment on this law is not yet possible, but the state retains numerous intervention and authorization rights so that one cannot really speak of a greater economic liberalization and of debureaucratization.

1.2 The new economic organization

The meanwhile four "councils with the Council of Ministers" (for the economic, agricultural and social sectors and for intellectual development) are charged with the task to prepare, coordinate, implement and control government policy in their sector. Their decisions are tantamount to cabinet decisions. Since they mainly confine themselves to strategic planning, their staff is very small. The economic council, for instance, consists of only about 200 members.

After the foundation of the economic council and the dissolution of the industrial ministries it first appeared that the enterprises would indeed be granted a greater leeway.

The new economic organization below the Council of Ministers gives rise to doubts, though.
The basic element are the individual enterprises. They may combine in "unions" which, on their part, are self-administrating socialist organizations. The unions are responsible for a uniform investment, research, technology and market policy. According to the individual branch, interventions in the production process and its control are possible. Besides, there are "associations" (also self-administrating socialist organizations), which are formed from mergers of several enterprises or unions and other organizations (e.g. universities) from various branches. Here they differ from the unions, which are branch-oriented. The associations are to pursue a uniform development, technology and market policy and assume planning and financing functions within the framework of structural economic changes. They are under the control of their members and are to help remove department and branch thinking. The state may impose on them functions, which also include decision-making powers vis-à-vis enterprises which are not subordinate to them.

In the meantime numerous unions and associations have been established. The dissolved ministries have been absorbed by the new unions; whether this development has been accompanied by economic thinking of the functionaries, has to be called into doubt though.

1.3 <u>The new labor law</u>

The labor law, which became fully effective on 01 January 1987 (in part, it went into effect as early as 1986), i.a. provides for the election of the medium-level management by the employees and their say in certain company decisions. In the elections always three candidates are available, who have to fulfil certain qualifications and have to be approved by the party. For the election a two-thirds majority is required. In most cases

the office holders were confirmed in their functions. Some were voted out, however, which is quite remarkable. On the one hand, the Bulgarian leadership tries in this way to get rid of incompetent managers, on the other, it has to be aware that good executives are voted out if they are concerned about the quality of production rather than about comfortable opportunities of the workers of earning an income. A say of the labor group concerned in the recruitment of personnel might have positive effects since each team is anxious to win over efficient people.

1.4 Problems of the economic reform

The Bulgarian reformers are confronted with numerous problems, which i.a. include the difficulties arising from efficiency wages, insofar as a non-fulfilment of the plan on account of lacking or inadequate supplies or poor quality as a result of obsolete machines is not taken into account. On account of the resultant wage cuts protest actions developed in individual enterprises, which, however, were settled at company level. In 1987 these protest actions have even increased.

Another - specifically Bulgarian - problem is that the persons involved in a reform are to a greater extent than in other countries doomed to success: if measures do not prove a success within one or at most two years, a reorganization is ordered, or new measures are formulated and the responsible persons are replaced*). What is left are a disconcerted economic bureaucracy and disconcerted company managements. In view of the fact that what is correct today may be wrong tomorrow and that this sometimes affects the position of the officials and managers concerned, nothing is done at all in many cases. The recently stepped-up controls of whether the new regulations are practised, have not remedied the matter. In order to remove the inflexibility of the apparatus, valid norms (and continued controls) are necessary in the long run. So far, however, the economic reform has not given a decisive growth impetus to the Bulgarian economy.

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*) First rumors have it that the chairman of the economic council DOYNOV, will be replaced.

2. Economic development in 1986

2.1 National income

In 1986 the national income rose by 5.5% (plan: 4.0%) following a mere 1.8% in 1985. This favorable result was to a great extent due to agricultural production, which in 1986 again increased by 10%. However, the Bulgarian plan fulfilment figures have to be viewed with scepticism: in mid-1986 it was ascertained in a sample survey that 80% of the enterprises had submitted to the central authorities reports which had been falsified in their favor. Even though it is impossible to find out the extent and effect of these forgeries, they are probably substantial. Against this background the statements on the increases in productivity have to be viewed with scepticism as well (costs per 100 leva production -2.2%, profit per 100 leva production fund +2.2%, labor productivity +5.9%).

2.2 Industrial production

In 1986 industrial production rose by 4.3% (plan 4.5%). This non-fulfilment of the plan was i.a. due to the chemical industry (according to the Five-Year Plan average annual growth rate 4.9%; actual 1986 figure: 4.2%). In this branch the development was impaired by the accident in the Dewnja chemical plant. Moreover, structural changes are currently being considered in chemical production so that the Five-Year plan target might be void. Another sector which negatively affected industrial growth was power production, which was 3.8% lower than in the preceding year (plan: +6.8%). The reasons for this were the poor technical state of the thermal power plants and losses in the hydroelectric power plants (for lack of water). Significant production losses for lack of energy, however, were not incurred in 1986 (at least according to information available here). In the plan fulfilment report it is even underlined that despite rising industrial production consumption of electric current was lower than in the preceding year. Further problems of the Bulgarian industrial sector still include the high input of raw materials and primary products, excessive stocks of raw and intermediate materials (which partly rot on account of the poor storage facilities)

and the low capital productivity, which is i.a. reflected in a low shift coefficient.*) The product quality is inadequate and the wage increases exceed the growth of productivity. In order to solve some of these problems, it is planned to increasingly introduce second and third shifts, shut down unprofitable enterprises and transfer enterprises to districts with a labor surplus. From April 1987 acceptance tests are to be carried out by the state in the production plants, and inferior quality will then be prosecuted.

2.3 Agriculture

Compared with the drought year 1985**) the results of the agricultural sector were particularly positive in 1986. Gross production rose by 10% and was thus even 2% higher than the average of the 1981/85 plan period.
Despite unfavorable weather conditions (long and cold winter in 1985/86 , a continuing drought in April and May) and the non-fulfilment of the seeding plan the 1986 grain crop of approx. 8.8 - 9.0 million t was in line with the plan according to our estimates.***) Whereas the wheat crop suffered from the above drought, good yields were produced in the case of grain-maize, which ripens later and, in addition was favored by rainfalls. In general, the results of plant production are said to correspond to the average of several years.

Animal production rose by more than 5% in 1986, which was i.a. due to the reduction of the livestock by stepped-up slaughtering, an emergency measure which was inevitable on account of the crop failure of the preceding year and the resultant shortage of fodder. In the course of 1986 the pig stocks of the large

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*) Indicator for the utilization of industrial plants

**) Agricultural gross production went down by 9%, the grain crop amounting to 5 million t decreased by 40% as against the average of the 1981/85 period (8.3 million t).

***) According to official statements only "significantly improved", "much higher than in 1985".

socialized farms were reduced most (by approx. 11%), whereas the sheep stock decreased by approx. 3.8% and the cattle stock by only 2.2%. Despite improved fodder supply the reduction of the livestock will in 1987 possibly lead to a stagnation of or even decrease in animal production.

2.4 Investments

The investments to the amount of 9 billion leva where somewhat lower than planned (9.15 billion leva). In the industrial sector (which has an about 50% share in the overall investments) most investments were made in power production (nuclear power plants) as well as in the metalworking and chemical industries. Like in the other CEMA countries, a problem in this sector is the great number of non-completed investments (volume of the non-completed projects 12 billion leva). Added to this are delays in the commissioning of new capacities. Besides, it is criticized that the investments are still largely used for purchases of new equipment as well as for new constructions and not for general maintenance and modernization work.

2.5 Supply situation

The 1986 supply situation was better than in 1985. Some bottlenecks occurred in the case of some agricultural products, which, however, were not due to production problems but resulted from stepped-up exports. In order to mitigate this shortage, the commercial establishments were authorized to directly purchase products from small farming establishments. Moreover, all producers were authorized to offer their products on the market. The significance of these markets must not be underestimated: besides, the supply of the population from private plots is still playing a great part. There was a permanent - though varying - shortage of energy. In the supply with industrial consumer goods and durables no significant changes were discernible. In order to improve the supply with industrial consumer goods in the lower price classes, compulsory measures were taken against production plants, which tend to produce luxury goods yielding a higher profit. Besides, price controls

were carried out, with exaggerated prices being reduced and the profits derived from unjustified price hikes in 1986 being collected in favor of the state budget. This suggests that in 1986 unjustified price hikes had taken on alarming proportions and that part of the beyond-target growth of the retail trade turnover (plan: +4.5%, actual figure: +7.3%) had probably been due to this development.

Of 57,400 planned flats - for the fulfilment of the Five-Year Plan the completion of an average of 80,000 flats annually is necessary - only 54,198 were completed in 1986. Services for the population increased to a lesser extent than planned (plan: +9.5%, actual figure: +6.4%). Since this development was discernible already in the course of 1986, a new system for the assessment of the economic success (and thus the amount of the wages) was introduced for public service companies from September onward: the main criterium for the assessment of the economic success now is in how far the consumer requirements are met. How this figure is to be ascertained concretely, is not disclosed by the relevant press report.

2.6 Foreign trade

The foreign trade turnover decreased by 1.1% from 27.7 billion leva (1985) to 27.4 billion leva (1986). The share of the CEMA countries continued to rise to 79.2%, that of the USSR to 59.2%. The exports to the non-Socialist countries showed a downward trend, whereas the imports from this area increased. This led to a significant balance-of-trade deficit in the first half of 1986 and to a rising hard-currency indebtedness, which in late 1986 was estimated at a net amount of US $3.0 billion or a gross amount of US $4.6 billion. The reasons for this development include the decline in the oil price (which negatively affected the price of the Bulgarian derivates exported to the West), the inadequate competitiveness of the Bulgarian products, the wish for more Western technology and the decreasing solvency of the most important trading partners in the Arab area (Iraq, Libya). Added to this are decreasing earnings in tourism (Chernobyl) and in long-distance road transports (Gulf War).

In the second half of the year restrictive measures were taken to reduce the balance-of-trade deficit accumulated vis-à-vis the non-Socialist countries in the first half of 1986; these measures are probably responsible for the decline in the foreign trade turnover.

Bulgaria:

Plan and plan fulfilment in 1986 (change rates as against the preceding year in %)

	1986-90 plan	1986 plan	actual figure 1986
Produced national income	5.4	4.0	5.5
Industrial production	4.9	4.5	4.3
Mechanical engineering	9.2-9.9	9.2	9.3
Chemical industry	4.9	no figures	4.2
Textile industry	3.0-3.4	no figures	2.9
Agricultural production	8.0-10*)	7.5	10.0
Food and tobacco industry	no figures	no figures	0.6
Labor productivity	6.2	4.5	5.9
Real income per capita	3.4	2.0	2.5
Retail trade turnover	4.6	4.5	7.3
Foreign trade turnover	5.7-6.5	5.0	-1.1

*) As against the average annual production of 1981/85

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20 May 1987

SUPPLEMENTARY POLITICAL REPORT

TgbNr.: 1438/87 VS-V

Subject : Romania: Stability of the Current Regime

Cutoff Date : August 1987

Summary:

CEAUSESCU's position remains unendangered. His physical state has stabilized but he does not appear to be in good mental health. Nevertheless, his position in the leadership is still uncontested; the armed forces and security authorities are still loyal to him; neither dissidence nor opposition is noted in the intelligentsia; the current cases of local unrest in the labor force are limited to single enterprises; the churches do not oppose the regime; the minorities are pursuing their interests by ways of their own; overall, the populace remains lethargic; sporadic actions (fliers, wall slogans) remain anonymous; the repressive system is still functioning unrestrictedly. The Soviets are not in a position to influence CEAUSESCU. It is not expected that he will step down on his own accord.

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Stability of the Current Regime in Romania

1. Despite Romania's steadily worsening economic situation and the population's consequent precarious supply situation, CEAUSESCU's position as state and party chief is still unendangered.

2.1 Following a marked deterioration in the fall of 1985, his physical health appears to have stabilized since early summer of 1986. In public appearances in the country during the first quarter of 1987 he even delivered a number of speeches lasting several hours without betraying any signs of weakness. The two major trips abroad he made this year to a number of Asian (09 until 18 March 1987) and African (28 March until 03 April 1987) countries suggest that he feels fit again to meet all demands of his position. All the same, the rumours maintaining that he was suffering from cancer have not ceased to date. Therefore, another decline of his health should be expected at any time.

His mental health, however, is seriously doubted. An informant who is close to his personal team of physicians says that CEAUSESCU has been suffering increasingly from paranoia for years. In any case, his need for recognition, his sense of mission, and his irrational fears have markedly grown during the past few years while his ability to understand political realities and to respond to them in a rational way have undoubtedly decreased. He evidently is suffering from the frequently observed problems of aging dictators.

2.2 Within the state and party controlling bodies, CEAUSESCU's power appears to be still undiminished although his standing has severely suffered as a result of his evident political and, above all, economic failures.

His strategy, employed for years, of concentrating all power on his person, the formal safeguarding of his position by party statutes and the constitution, and the shielding of this position by filling top functions with members of the CEAUSESCU and PETRESCU (Elena's family) family clans, with other more distant relatives close to them and with functionaries in his confidence, has made his position as Conducator almost unassailable. Perpetual rotation is another means of keeping this set of people in a state of uncertainty and dependency. As a consequence of this personnel policy, the top party and state functionaries today appear to be guided by the motive of holding on to their positions under all circumstances and by the feeling that their fortunes are firmly linked with the fate of the Conducator.

This attitude persists among CEAUSESCU's top aides although, according to reports available, it is widely realized that CEAUSESCU is leading the country to ruin. It appears that everybody is hoping to outlast him.

2.3 The armed forces and notably their officer corps are considered generally loyal to their country, the Romanian netion and even to their commander-in-chief CEAUSESCU. (Rumours about an alleged attempted coup instigated by high-ranking officers in the early eighties could never be verified.) That this loyalty has not been significantly impaired by CEAUSECU's permanent call for disarmament and subsequent measures in his own country, nor by the resulting low standing of the armed forces in society and the permanent abuse of its members for economic purposes, is hard to explain but, according to information available, is a fact.

The security apparatus remains loyal to the state and party chief as long as its dominant position of power in the country and the privileges of its officers are not at risk. Since CEAUSESCU is more and more dependent on the apparatus of repression, its members and notably its top echelons see no reason why they should be illoyal.

2.4 Members of the intelligentsia, if they are not loyal to the party line in the first place, lack the courage and motivation to put at risk the comparatively easier life in a privileged group in favour of distant and uncertain political goals. As a consequence, no serious dissidence or opposition exists in Romania.

It was the workforce that during the past few years has articulated more and more often its discontent mainly with the bad supply situation. So far, however, such manifestations of dissatisfaction had been restricted to single enterprises and in each case it had been possible to suppress them quickly by a combination of saturating and repressive measures. The workers' mentality and rural origin so far have prevented the developing of any solidarity process so that the regime is hardly at risk from that quarter, either.

2.5 Romania's orthodox church neither spiritually nor politically defies the regime. It voluntarily confines itself to the leeway accorded by the party and the state. The Catholic church of the country is too small and has too little influence to become a center of criticism of the system. Of course, this is also, and even more, true of the sects.

The Hungarian and German minorities do not engage in any organized opposition whatsoever, there is no intellectual dissidence and no harsher forms of protest against the precarious consumer situation as are found among their Romanian fellow-citizens.

However, intellectuals of the Hungarian minority for years have succeeded in using connections with Budapest and Hungarian exiles in Vienna for depicting in the West in a rather drastic manner the negative consequences of Bucharest's minority policy on this ethnic minority. This puts CEAUSESCU under some pressure in the field of foreign affairs but does not affect in any way his domestic position.

The Germans, on the other hand, are so caught up in their endeavours to obtain permissions for emigration and so anxious not to jeopardize their chances that they do not engage in any political activities.

2.6 Overall, the feeling of resignation and consequent inertia have deepened in the majority of the Romanian populace, which is taken up above all with the struggle for physical survival and has no energy for oppositional activities.

3. The population's widespread discontent mainly with CEAUSESCU's economic policy and its consequences for the individual citizen as well as the growing inability to understand the Conducator's craving for status is articulated more and more often in public but in general only translates into individual and anonymous actions. Fliers and wall slogans are the most frequently used means of expression.

At the same time, the apparatus of repression has stepped up its presence and intensified its methods of crackdown. Today, almost all spheres of life and work in the country are subject to surveillance by an extensive net of Securitate informers. Individuals carrying out actions have a chance of remaining undetected but the majority of the population is so intimidated by the security apparatus that dissident or oppositional individuals from all sections and strata of the populace do not dare to join forces.

In view of the described domestic situation in Romania we are of the opinion that at present the CEAUSESCU regime is not a risk from within.

4. As to Romania's situation in foreign affairs, only the Soviet Union could pose a threat for the country. But here, too, there is no evidence of any danger to the regime from that quarter.

There can be no doubt that Moscow is still interested in correcting Romania's known "independent-mindedness" in foreign policy into a line of more bloc conformity. From the Soviet leadership's point of view, Romania is increasingly jeopardizing the bloc's and its leading power's standing, as the abuse of power by the CEAUSESCUs and the consequent extreme degree of repression, which, in other Soviet bloc countries, have long become history, and the continuing decline of the Romanian economy are becoming more and more evident.

The development of the Soviet-Romanian relations during the past few years, however, has demonstrated that the Soviets have no leverage to impose their will on CEAUSESCU.

Any direct Soviet intervention is out of the question, in particular when taking into account GORBACHEV's propagated new concepts of cooperation between Socialist countries. Moscow's chances of gaining influence in Romania by winning over or setting up functionaries in the leadership hierarchy who are loyal to Moscow, have been thwarted by CEAUSESCU's protective measures over the past few years. In the political area, the Kremlin does not have any effective leverage in its dealings with Bucharest. CEAUSESCU will not put up with any dramatically increased economic dependence on the Soviet Union. But Moscow, too, certainly is not interested in the development of such an intensified dependence since this could lead to Moscow's having one day to share the responsibility for the Romanian economic situation a role which the Soviet leadership neither cares for nor is able to take on.

5. It is extremely unlikely that CEAUSESCU will step down on his own accord. His definitely neurotic relationship with power and his evidently psychotic, distorted self-image as "Romania's greatest son" with the historic mission to lead the country into the modern age as well as his resulting conviction of personal infallibility do not permit such a step.

6. Thus, CEAUSESCU will hold on to his position until his death or until a severe deterioration of his health would force him to resign. It looks as if Romania and the world will have to put up with him for some time to come.

15 June 1987

SUPPLEMENTARY POLITICAL REPORT

TgbNr. 1551/87 VS-V

Subject: Romania - Course and Result of Visit to Bucharest by CPSU General Secretary Gorbachev

Cutoff Date: May 1987

Summary

1. During his visit to Bucharest, Gorbachev refused to change his personal style, thus demonstrating his distance from Ceausescu. In the field of domestic and economic policy, the head of the Romanian Communist Party obstinately hanged on to positions adopted already in the past.

2. The first day of the visit was still marked by attempts on both sides to paper over the existing differences.

3. Gorbachev was outspoken in his criticism of the Romanian regime (speech on 26 May 1987):

- Central significance of the "human factor" for the policy of reform in the Soviet Union.
- Self-purge of the CPSU by eliminating incompetent/unworthy functionaries; repudiation of "nepotism"; multicandidate balloting is significant to cadre policy.
- Detailed presentation of Soviet social policy, including the element of private initiative ("family contract").
- Statements about overall concept of reconstruction (economy, ideology, politics) reveal rationality of political thinking, which is incompatible with Ceausescu's self-perception.
- Veiled but unmistakable criticism of Ceausescu's policy toward ethnic groups.
- Overall negative assessment of Romania's economic situation, made in connection with demand for "new forms of cooperation" between the USSR and Romania (Pravda report about increased deliveries of raw material/energy).

Ceausescu reiterated his known divergent positions, but was also critical of himself on a few issues:

- Praise of Romanian achievements.
- Self-critical reference to modernization requirements in production and need for "new forms of economic management".
- Admission that "there is some catching-up to do" in the field of bilateral economic cooperation.
- Appreciation of intra-Soviet reform process corresponds with Romania's insistence on going its own way.

The negotiations between the two party leaders were marked by controversies and recriminations.

4. The result of the talks is modest:

- No activation of party relations.
- Ceausescu said that there had been an exchange of views on a wide range of issues and that "a number of good agreements" had been reached, but he was not specific about the deals struck.

He failed to respond to specific demands made by Gorbachev. The further development of bilateral relations is thus uncertain.
- The degree of agreement between the two party leaders was highest on foreign policy issues.

5. The Soviet self-presentation is unlikely to have any visible effects on Romania's internal situation in the foreseeable future.

1. Gorbachev's official friendship visit to Romania was less lacklustre and provided more political insights than originally expected. In Bucharest, too, the general secretary largely adhered to his specific way of conduct, bringing to bear his personal virtues such as dynamics, charisma, rationality, self-confident modesty. He refused to join Ceausescu in his "making a fetish" of political leaders and stuck to his personal style both when he had the unavoidable "bath in the crowd" (25 May 1987) and when he made his speech in the "Palace of the Republic" (26 May 1987), where he insisted politely but decidedly that there should be no scanning ovations of applause. He also stuck to his habit of pointing out Soviet problems clearly, pointedly and critically and especially spelled out chapter and verse his policy of reform.
His public statements contained thinly veiled criticism of Ceausescu's known basic positions on domestic and economic policies.
During his tete-a-tete with Ceausescu, with only an interpreter in attendance, Gorbachev was reportedly even less restrained in his criticism of Ceausescu.

By contrast, the Romanian state and party chief was reportedly determined from the outset to give a show of independence and strength. And sure enough, he adhered tenaciously to his cut-and-dried positions, refusing to budge even an inch.
The visit resulted in a further deterioration of the relationship between the two general secretaries. The first effect of this was that at the East Berlin PCC conference (28 to 30 May 1987) the Romanian delegation was largely cut by the other participants.

2. During the first day of the visit, including a tour of the city, the considerable differences existing could initially be papered over by the host's making a show of cordiality and arranging a varied program for the reception ceremony.
The Soviet side, too, apparently did not want to cloud the first phase of the visit, which probably accounted for Gorbachev's restraint in his after-dinner speech on 25 June, which focussed on bilateral relations and disarmament and did not contain any critical overtones.
Ceausescu, however, used this first opportunity to blunt the criticism expected from Gorbachev and to pre-empt his attempts at exerting influence. He portrayed Romania's development over the past fourty years as a process in the course of which the changes now initiated in the Soviet Union had already been carried out, with allowances having been made, though, for the special Romanian conditions.

3.1. On the second day of the visit Gorbachev stopped pulling his punches. His speech in the Palace of the Republic (comparable to his Prague address on 10 April 1987) was obviously intended to lay bare the Ceausescu regime's weak spots in a subtle but nevertheless ruthless way so as to demonstrate the personal distance between the two general secretaries also in political terms.
These connections are evidenced by the gist of his speech:

At the center of his comments on the intra-Soviet reforms was the "human factor", which he connected with "democratization" and "transparency" ("glasnost"). He dissociated himself from Stalin's perception of man (cog function) and conjured up the vision of an informed and discriminating personality who is able to look after his rights and interests without hindrance and who channels his creative energies into state and society.
Gorbachev described the CPSU's self-purge in renewing methods and patterns of working. To solve the cadre problem, he said, the party ousted incompetent and unworthy functionaries: as one criterion, he referred specifically to nepotism. As another constructive element in cadre policy he mentioned the new tack of senior officials being elected at various levels of hierarchy.
Gorbachev dealt at length with the problems of social policy, deriving its outstanding significance to reconstruction from the interdependence between the people's living conditions and their readiness for hard work. When talking about the social programs, he did not fail to point out that Moscow also intends to return to private initiative (family contract) - for instance, in the sector of services. Precisely this "relapse" into capitalist forms of property had already met in the past with a firm rebuff from Ceausescu.
The general secretary referred to the following areas as being the central fields of reconstruction:
- The economy (renewed reference to integral economic management as one of the tasks to be tackled by the next CC plenum);
- ideology (which is tasked to make an unbiased analysis of reality as the scientific basis of policies) and
- politics (whose main task is to perfect democratic institutions and the control function of elected bodies).

This concept, Gorbachev said, incorporated "democratization" and "glasnost" which served as motors of the process of renewal through accurate information ("half-truths are worse than lies"), public criticism and control. The rationality of this political approach is incompatible with Ceausescu's perception of ruling.
The general secretary also touched on the problem of ethnic groups. It was hardly possible for Ceausescu to misconstrue Gorbachev's reference to Lenin's demand for cautiousness and delicacy in dealings with national minorities: the guest, in fairly unambiguous terms, expressed Soviet displeasure over the brutality of Romania's assimilation policy (toward the Hungarian minority) and the open conflict between Bucharest and Budapest.
Gorbachev could not bring himself to make a definitely positive assessment of Romania's economic situation and the state of bilateral cooperation in this field. True, he expressed his satisfaction with the industrial plant he had visited in Bucharest, which was outweighed, however, by his obscure reference to the serious problems faced by Romania and to the troubles of everyday life. His comment on bilateral cooperation was confined to the demand for "new forms of cooperation". A Pravda article published at the same time (26 May 87) complemented the picture: it was critical of the Romanian economy's great woes that impelled Moscow in 1986 to considerably increase the amount of raw material and energy supplied to Romania (three times more mineral oil and a one-third increase in gas/electricity supply).

3.2. In his spech, Ceausescu once again reiterated his case stated already on the day before. He signalled a minimum of formal self-criticism, though, when he talked about the necessary modernization of production and the introduction in Romania of "new forms of economic management". The head of the Romanian Communist Party also conceded that "there was some catching-up to do" in bilateral economic exchange (cooperation and specialization in production) and expressed readiness to do so.
Finally, he made a specifically appreciative assessment of the intra-Soviet process of reform, saying that Bucharest kept track of it "with interest" and expressing hopes that it would be successful. However, the head of the Romanian Communist Party left no doubt that the Socialist countries would have to make their own specific approaches in order to succeed in developing the "new society".
On this point, he could be sure of verbal support from Gorbachev who had in substance reiterated his Prague statements (10 April 1987) about the specific character of the Soviet reform program and about Moscow's changed view of the norms of inter-governmental relations in the Socialist Community (full independence in setting the political course, collective responsibility for the fortunes of world socialism, cooperation on an equal footing).

3.3. The tete-a-tete mentioned above reportedly took place on the same day, probably ending in a row. Nothing has so far become known about the topics and details discussed. Ceausescu has thus far failed to talk either with relations or with confidants about the course of this meeting. It may be assumed that Gorbachev, as on other occasions before, was outspoken in his criticism of Romanian policies and of Ceausescu himself. The rest of the two party heads' negotiations was marked by dissension, with neither side - as Gorbachev said - mincing its words. The differences in views and interests were thus discussed frankly, which also fits in well with the style favored by the head of the Soviet Communist Party.

4.1. The result of this policy dispute was a modest one, though: The communique, which expressed satisfaction with the state of party relations irrespective of their allegedly low frequency and quality, did not contain a specific demand for an intensification of communication between CPSU and RCP.
Ceausescu said that there was an exchange of views on developments in all fields of bilateral relations (in the economy, science, technology, culture and other fields), which had resulted in a "number of good agreements" about consolidating the basis of cooperation in all these sectors. He was chary, however, of giving details, except for both general secretaries' determination to speed up the implementation of the bilateral program so as to intensify economic and scientific-technological cooperation until the year 2000. Ceausescu failed to respond to concrete demands made by Gorbachev (intensified exchange of students, stepped up involvement of Romanian scientists in Soviet research projects).
This adds to the impression that earlier difficulties in marking out new fields of cooperation have not yet been removed; such trouble surfaced already during the talks the two party heads had on the sidelines of the 27th CPSU Party Congress on 28 February 1987. At

the bottom of this difficulty probably is continued Romanian

opposition to specific cooperation priorities set by the Kremlin (joint ventures, bilateral research collectives).
In fact, the only understanding reached, with the time frame set being vague, was to step up efforts at improving cooperation and specialization in production as well as establishing direct links, as, for instance, between enterprises and scientific organizations.
On this issue, however, Gorbachev has laid it on the line that a fruitful development of the general Soviet-Romanian relations is ultimately a function of the quality of economic and scientific-technological cooperation.
The degree of agreement was highest - as expected - in the field of international issues. According to Ceausescu, positions here were "identical or converging".
In his statements, Ceausescu also touched on the Soviet formula of "new political thinking" (mentioned in the communique), pledging his support for Gorbachev's disarmament proposals. The only demand he made was that conventional disarmament be tackled with more determination. Gorbachev in turn provided backing for Romania's policy toward the Balkan region.

4.2. It remains to be seen whether Gorbachev's stay in Bucharest will have any long-term effects on Romania's internal situation. With the Romanian media's coverage of the intra-Soviet development having so far been hardly informative, the Soviet general secretary's stay in Bucharest was the first opportunity for the Romanians to get an unvarnished picture of Gorbachev himself and of his new political ideas. This can hardly be expected to bolster hopes grown in the Romanian public in recent months that Gorbachev's influence might "reform" Ceausescu, for the latter's show of independence and strength was too impressive to nurture such hopes. Even so, the Soviet self-presentation has probably speeded up the process of undermining Ceausescu's credibility and damaging his reputation especially on the part of the intelligentsia and among senior party officials. It remains to be seen whether this will turn out to be an impediment during the rest of Ceausescu's tenure. The course of the visit has at most resulted in Ceausescu's becoming encouraged in his stubbornness. A substantial change in his economic or domestic policy is not in the cards.

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19 May 1987

SUPPLEMENTARY POLITICAL REPORT

TgbNr.: 1432/87 VS-V

Subject : Poland - Possible Replacement of Premier MESSNER and JARUZELSKI's Intentions in Personnel Policy

Cutoff Date : May 1987

Summary:

1. Party, government, and diplomatic circles are unanimous that Premier MESSNER is definitely about to be replaced. Predictions about the timing of his replacement mostly vary between the early summer and autumn of 1987.

2. On offering his immediate resignation, MESSNER reportedly was asked by JARUZELSKI to stay in office for the time being. Evidently JARUZELSKI wants to postpone important personnel decisions until after the approval of the reform package submitted with a view to initiating the second stage of the economic reform (174 theses).

3. Those currently touted as possible successors for MESSNER include Central Committee (CC) Secretary WOZNIAK, Interior Minister KISZCZAK and Vice-Marshal of the Sejm RAKOWSKI. A Western partner service mentioned Marshal of the Sejm MALINOWSKI. The above-mentioned politicians evidently are the favourites of various interest groups, whose names have been deliberately leaked to the outside world.

   Even though each of the candidates mentioned, especially WOZNIAK, has a chance of succeeding MESSNER, JARUZELSKI may have a surprise up his sleeve, and there may also be delays.

4. JARUZELSKI's past personnel decisions (SADOWSKI, LEGATOWICZ, GEBALA) suggest - considering the economic-policy qualifications of the appointees - that JARUZELSKI is determined to push through his economic reforms, by drastic personnel decisions if need be. Senior Party functionaries believe that JARUZELSKI is trying to widen the personnel basis of the government and administrative apparat by promoting qualified non-Party-members, using also the Social Consultative Council (attached to the Council of State) as a personnel reservoir.

   It is not ruled out that JARUZELSKI is making preparations in terms of personnel policy for the creation of a "economics super ministry" after an organizational streamlining of the Council of Ministers and, for this purpose, is already attracting to himself qualified technocrats.

Report:

1. It has been learnt from a source in the Council of Ministers that Premier MESSNER, in a recent letter to JARUZELSKI, offered his immediate resignation. The premier had given up all hope of success.

   JARUZELSKI had refused to accept the resignation at the present juncture and asked MESSNER to stay in office for the time being.

   Within the Council of Ministers, though, the time of MESSNER's departure was as good as settled. Immediately after the forthcoming visit of the Pope to Poland (08-14 June 1987), there would be a major government shake-up in connection with MESSNER's replacement.

2. Polish diplomatic circles in Western Europe, on the other hand, did not except MESSNER's replacement until towards the end of the summer holidays.

   An important clue to the forthcoming replacement of the premier was the recent appointment of Professor SADOWSKI as deputy premier. SADOWSKI was a qualified economist and was regarded as one of the fathers of Polish reform policy. It was obvious that the Polish leadership was dissatisfied with the way MESSNER was implementing/ imposing the reform. It was not known who would succeed MESSNER.

   Although RAKOWSKI did have a real chance, it would be too much to describe him as the favourite.

3. Functionaries of the Polish United Workers' Party (PUWP) are of the opinion that JARUZELSKI will wait until the autumn of 1987 before launching a major reshuffle of the government, including the replacement of MESSNER.

3.1. The following are currently being touted as possible successors of MESSNER: CC Secretary WOZNIAK, Vice-Marshal (of the Sejm) RAKOWSKI, and Minister of Internal Affairs KISZCZAK.

3.1.1. As far as WOZNIAK was concerned, there were no signs that he had set his sights on the prime minister's office; what he was seeking was the role of "crown prince", for which role he had no serious rivals at present.

RAKOWSKI was at present busy turning "his" Socio-Economic Council (affiliated to the Sejm) into a power base. Although Moscow's dislike for, and doubts about, RAKOWSKI had moderated somewhat (JARUZELSKI had interceded on his behalf), RAKOWSKI was still a controversial figure within the PUWP.

3.1.2. Points in favour of KISZCZAK were his leadership qualities, his close friendship with JARUZELSKI, and the loyalty of the security apparat, which had made him Poland's "best-informed" man.

3.1.3. The appointment of SADOWSKI to the post of deputy premier and the move of GEBALA (who had been minister of labour, wages and social affairs up to 16 April 1987) to the post of deputy chairman of the Planning Commission (and possibly to the problem Commission for Economic Reform) also suggested that, in addition to economic expertise, leadership is a prime requirement, and this was true particularly of the office of prime minister.

4. What was needed for pushing through the planned economic reforms was strongleadership, and that was something MESSNER did not have at all.

In the enterprises, especially those run on cooperative lines, the policy of self-management was abused for carrying on power struggles and imposing particularist interests.

The Party organizations in the enterprises did not carry out the instructions of the voivodship committees; the directors, invoking their independence, blocked the instructions of the industrial ministries. The works council, the Party and the management were at loggerheads with one another, with the front lines changing occasionally. The trade unions (OPZZ) were not really taken seriously by any of the parties.

The friction loss resulting from this state of affairs could, in JARUZELSKI's view, be avoided only through tighter discipline and stronger leadership of the decision-making bodies.

5. Generally speaking, the bulk of all intelligence information is now positive about the replacement of Premier MESSNER, although opinions vary about the timing (early summer till autumn 1987). It is reasonable to assume that JARUZELSKI wants to await the outcome of the current discussion in the Party about the reform package (174 theses) submitted in April and subsequent decisions on the initiation of the so-called second phase of the economic reform. At the same time, intensive preparations are being made with a view to streamlining and rendering more efficient the government apparat. (This activity is being supervised by Minister of Internal Affairs KISZCZAK.)

5.1. Although it was announced that these measures were to be completed as quickly as possible, delays till around the end of 1987 cannot be entirely ruled out. Another thing that may hold up the final reshuffle was the still continuing search for a professionally and politically suitable candidate for the post of premier.

5.2. The politicians mentioned in the current discussion within the Party are likely to be those favoured by the various interest groups of the PUWP, whose names were "leaked" to the outside world. Therefore, a surprise personnel decision

by JARUZELSKI is by no means impossible. A Western partner service mentioned (though without giving reasons) Marshal of the Sejm MALINOWSKI (who is also chairman of the ZSL). It seems doubtful, though, whether a member of another political party, let alone a non-party candidate, would be accepted by the PUWP as chairman of one of the decision-making bodies of the state.

5.2.1. Similar reservations apply, for the above-quoted reasons, also to RAKOWSKI, whose envisaged comeback at present seems more likely to take place at a later date.

Notwithstanding KISZCZAK's undisputed abilities, it is doubtful whether it would be psychologically apt to have military men in the posts of chairman of the State Council, Party chairman and Premier, even though the implementation of the planned reforms crucially depends on a premier with KISZCZAK's leadership qualities to ensure efficient working of the government. However, KISZCZAK lacks the politico-economic qualifications, which are also essential.

Both requirements are satisfied no doubt by CC Secretary WOZNIAK, who, in our opinion, therefore holds something of a key position in the current personnel merry-go-round. By deciding to take on this job, WOZNIAK would relieve JARUZELSKI of the need to search for what would ultimately be a compromise candidate.

6. Irrespective of the appointment of a new premier, leading Party circles see in JARUZELSKI's other personnel decisions and intentions an indication of his determination to push through his comprehensive reforms, if necessary by a drastic shake-up. In this connection, there is talk of Prof. SADOWSKI being appointed chairman of the Economic Consultative Council and deputy premier. GERTYCH, who was relieved of his post, had reportedly been incapable in JARUZELSKI's opinion to put over the reform ideas credibly and convincingly.

7\. The appointment of the non-party economist LEGATOWISZ (member of the Social Consultative Council attached to the State Council, of the Committee for Economic Reform, and of Poland's Economic Association) to the Council of State and the function of personal economic adviser to JARUZELSKI reflect JARUZELSKI's intention to

- put the government and administrative apparats on a broader basis by promoting non-party-members,
- use the Consultative Council as a personnel reservoir, and possibly
- make preparations in terms of personnel policy for the creation of an "economics super-ministry" after streamlining the entire government apparat, by attracting to himself already now qualified technocrats.

HB

135/C

29 May 1987

Supplementary Political Report

TgbNr. 1462/87 VS-V

Subject : Yugoslavia
Slovenia Leads the Way Toward More Pluralism

Cutoff Date : May 1987

Summary

The result of the "ideology plenum" of the Central Committee of the League of Communist of Yugoslavia (LCY) on 28 and 29 April 1987 was not the intended stronger emphasis on dogmatic accents for the social development, but only an account of the plurality of views within the party and rejection by majority vote of dogmatic methods. This clears the way for a development toward more pluralism.

In this field, Slovenia is leading the way.

With its official backing of substitute military service, abolition of the death penalty, and opposition against nuclear energy, continuation of the "youth relay" and punishability of verbal offenses, the Slovenian youth organization introduced, in February 1986, a new form of articulating differing political views.

The journalist organization followed this example when it voted against Marxism-Leninism.

The Socialist Alliance and the republic LCY initially cast a benevolent eye on this development and soon took the lead.

The most significant indication of this was its public support of a countrywide discussion of introducing a possibility for substitute military service.

The motives of the Slovenian leadership are the following:

- It must relent to the strong social pressure in the direction of more democracy.
- Slovenian communists are first of all Slovenes. They feel and think in a similar way as the social basis.
- But the party wants to keep its power and prevent Slovenia from moving away from the federation.

Slovenian nationalism has grown more virulent and been allied to a vague dream of separatism. There were publications about this aspect by a number of dissident authors in early 1987.

Here, too, the Slovenian leadership voiced only partly moderate opposition. It could be seen even more clearly that it does not close its eyes to social initiatives, but wants to control their development so as not to jeopardize its leading position. This policy is not likely to be influenced by outside pressure.

In this way, Slovenia could be the "locomotive" of a Yugoslav development toward more pluralism.

1. Is a development toward more pluralism possible?

The main initiators - more conservative top functionaries - of the latest plenum of the LCY CC (28-29 April 1987) had intended to use this opportunity for settling the account with current internal Yugoslav developments which they considered too progressive and underscoring dogmatic accents as a basis for the further social development more forcefully again. The plenum did not produce such a result. The event turned into a condensed presentation of the current diversity of opinions within the Party and did not have any substantial outcome supported by a majority. On the whole, however, most persons addressing the plenum more or less turned down conservative/dogmatic perceptions of how to settle the current crisis. This means that the development toward more pluralism within the existing socio-economic system still has a chance.

2. Slovenian-Style Pluralism

Slovenia is clearly leading the way toward more pluralism.

It is true that intellectual dissidents today make a greater splash than ever before mainly in Serbia. Their political activities there are sometimes directed quite massively even against political positions. But this had already been the case under Tito. Although their activities at that time had been more muted, they are nevertheless no new element in Yugoslavia's domestic life. Likewise, plurality of opinions within the Party and most of all among the top functionaries has been nothing new to the Yugoslav people in the last few years. It has also been a fact of life in Yugoslavia for years that the Yugoslav media reflect this plurality of views as well as the deviating positions of intellectuals. For some time now, editors have had no inhibitions in making a very personal contribution to the formation of opinion by their audience through the selection of reports or commenting.

2.1 However, a radically new element was introduced into the plurality of opinion in Yugoslavia by the Socialist youth organization of Slovenia last year.
In spring 1986, this organization for the first time raised public demands for
- the introduction of community service as a possible alternative to military service,
- a ban on the construction of more nuclear power plants,
- the organizing of the "day of the youth" by instilling new contents instead of commemorating Tito,
- reshaping of the "youth relay",
- abolition of the death penalty,
- abolition of the law punishing deprecatory remarks about officials in the Party and state and/or hostile propaganda.

This has been the first time that the executive of an organization controlled by the Party has publicly made proposals which are in striking contrast to the alsolutely valid positions of the Party and government leaderships. It has been a first and crucial step toward more pluralism within the established apparat.

2.2 The Slovenian delegates to the 12th Congress of the Socialist youth organization of Yugoslavia (12 - 14 June 1986) reiterated four of the above items (community service, youth relay, death penalty and verbal offenses) there as official proposals of their organization. The federal congress generally rejected these demands, but adopted a special resolution on the peaceful use of nuclear energy where a referendum on this subject is demanded, for instance. The Slovenian activities should have been instrumental in achieving this resolution. Another result of their tactics was also that their proposals - which had been discussed in public, but had not been taken seriously by those in charge - now received the full, though rather critical, attention of the political leadership.

Not deterred by any opposition, they continued their activities for achieving their goals. In mid-December, the youth organization organized a public signature drive in Ljubljana in

an attempt at securing public consent for its above listed four proposals. What the young people did achieve was that the Socialist Alliance of Slovenia submitted the proposal for allowing community service in lieu of military service to the Socialist Alliance of the federation for decision. However, in late December, there was a verdict against this proposal. This means that (for the time being) there will be no all-Yugoslav discussion about this issue. In April 1987, when a murderer was sentenced to death in Vojvodina, a country-wide public discussion of the death penalty erupted between lawyers. This has possibly been the result of the Slovenian youths' proposal to this effect. With their activities against the youth ceremonies marking Tito's birthday, mainly by making provocative use of a Nazi poster for advertising these events in 1987, those responsible also attracted large attention, but met with allout rejection.

Nevertheless, the overwhelming majority of young people interviewed in the earlier mentioned opinion poll in Ljubljana in December 1986 again voted against the traditional way of holding these ceremonies. However, when the intention became known of a group of the youth organization of organizing a sanctioned meeting of homosexuals in Ljubljana on 25 May 1987, i.e., Tito's birthday, the tide seems to have turned in the country against this Slovenian initiative. But it is likely that this will not deter the Slovenian youths in the future, either, from publicly ventilating their ideas of democracy. Along these lines, the Slovenian youth organization staged a demonstration against nuclear energy in Ljubljana on 21 April 1987, attended by several thousand people of the city, among them also adults.

2.3 Maybe encouraged by the activities of the youth organization, the Slovenian journalist association changed a very crucial item of its statutes in October 1986. The stipulation that the members of the association had to be guided in their work by specific loyalty toward Marxism-Leninism was officially dropped. As a result, another essential element of domestic

communist practice, i.e., complete subordination of the media under ideological interests and thus under the control of the Party, was formally abandoned. In day-to-day work, this has been the case for years.
Intelligence reports have it that the underlying motivation of strong forces of the association for taking this step has been to pave the ground for more freedom of the press in Slovenia.

2.4 The leading cadres of the Slovenian LCY and the republic Socialist Alliance of the Working People and most of all their current chairmen, Kucan and Smole, have reacted to this development in a way which is absolutely new in Yugoslavia. Initially, without resorting to administrative countermeasures - which would have been taken in other Yugoslav constituent republics - they have watched the matter with obvious benevolence and than adopted political contents of the youth organization's proposals.

As reason for this spectacular reaction, Smole said that it was his intention to reshape the Socialist Alliance into an alliance of all social forces. There, all positions on political problems should in future be discussed openly, even those contrary to official positions. In early April 1987, he told an informant, "If we are the most developed republic, why should we wait until the others have caught up. It makes much more sense that we continue to lead the way, and that the others follow."

Indeed, the Socialist Alliance under his leadership has taken further steps. The most important were

- to forward the proposal of the youth organization for community service in lieu of military service to the Socialist Alliance of the federation. He argued that any serious proposal from the social grassroots deserves to be discussed.
- After that, he made a Christmas address to the Slovenian people on 25 December 1987 and allowed the Archbishop of Ljubljana, Sustar, to speak to the Catholic population

over television on Christmas. He said that it was necessary to face reality in political affairs, i.e., the large percentage of active Catholics among the Slovenian people.

But he also made it clear that he has no intention of abandoning essential socialist basic principles (such as modified "democratic centralism") in future. This is why he announced in mid-January 1987 that, in his view, the discussion of community service was over, after the pertinent federal committee of the Socialist Alliance had turned down his application.

In early January 1987, Kucan for the first time came out publicly against the rejection of new ideas. He said that truth was not a monopoly of the communists. Everybody had the right to air political problems provided the principles of the self-management system would not be called into question. He stated that it was necessary to open a serious discussion of the youth organization's proposal in the executive bodies so as to find out whether it can be realized.

In a confidential conversation, he recently laid open his general objective, "The Party must find a way leading to more democracy and a more independent policy oriented on Slovenian needs."

The Slovenian Party leaders have a whole bundle of motives for their progressive position. No doubt, the pressure for more democracy is strong among the Western-oriented Slovenian people. But the policy of the Slovenian leaders cannot be interpreted solely as taking the bull by the horns. Those in charge feel the same as the people at the grassroots level, and most of them seem to be convinced honestly of the need to take another step forward. But it is also one of their aims to keep the Party and themselves in control at all costs. They must see to it that Slovenia was not to take a development which would move it away from the federation. This is why they have to slow down the development in their republic if the other republics do not follow at an adequate speed. To this end, the growing virulence of Slovenian nationalism must be suitably channeled.

3. Growing Virulence of Slovenian Nationalism

It has of late considerably risen in virulence.

3.1 It is governed by the following factors:

- In view of their mentality and history, the Slovenes see themselves as belonging to Central Europe. This is why they look down on the other southern Slavs.
- Their resulting self-esteem and distance from the other Yugoslav nationalities are underscored by their above-average economic achievements.
- Within the federation, they are not permitted to take sole benefit from their achievements. This is why they feel exploited by the other republics.
- Nothing is done against this by a federation leadership which is clearly incompetent in economic questions.
- Added to this is the permanent fear of Slovenes of being unable to stand their ground politically in the federation against the huge numbers of Serbs and Croats and/or of being outnumbered in Slovenia by people from southern parts of the country.

3.2 What is more, Slovenian nationalism has entered into an alliance with vague dreams of separatism. All the facets of this alliance were described by a number of dissident authors in 57th edition of Nova Rivija, which was the subject of heated discussion throughout the country.
Criticism articulated there and alternative political perceptions developed there concentrated on the following aspects:

- The Slovenian language only takes second rank in Yugoslavia. This is particularly evident through preference given to Serbo-Croatian in the armed forces.
- Regrettably, Slovenia does not have a national political program. This must be developed.
- Their major role in the Yugoslav liberation struggle has earned the Slovenian people the right to national sovereignty.

- This is why Slovenia should be an independent state with independent political organs, with indigenous armed forces and genuine right to decide whether it wants to live in a federation with other nationalities or whether it wants to be independent.
- The present political development in Yugoslavia needs organized pluralism as a counterweight.
- The current system of social ownership is a myth, self-management is a political fiction and the socialist individual is a utopian delusion.
- As a result, efforts for introducing another political system in Slovenia should be made.
- Slovenia is much more European than Slavic. Four fifth of our inner values are of European origin. Although Central Europe is a "funny" club, it would be a good idea to join it.

3.3 The official reaction of the Slovenian LCY to this publication was even more revealing than its moderate reaction to the initiatives of the yough organization. It clearly rejected - in a surprisingly "mild" manner - a number of theses postulated there, but did not mention - and thereby not censure - some theses constituting a provocation to the federation.

Essentially repudiated were all accusations launched against the LCY because of historical and contemporary mistakes and the support of various authors for aggressive confrontation between backers of new ideas (pluralism/democracy) and representatives of conservative/dogmatic positions. But no critical mention was made of the regret by some authors for the second-rate status of the Slovenian language within the federation, the postulation of the right to greater Slovenian independence, support for more pluralism as a possible way for improving the political system. The LCY probably wanted to show that it subscribed to the theses laid down in this paper as goals of future Slovenian policies. It has even adopted some of these theses. What it has achieved is that all signs and similar inscriptions in Yugoslav Army

barracks on Slovenian territory will in future be in Serbo-Croatian and Slovene. The above stated remark by Kucan that future policies would be oriented more on Slovenian needs also translates a requirement made in the paper into political intention.

4. The statement by the LCY leadership also makes it clear once and for all what the Slovenian Party leadership's idea of pluralism is and where it wants to channel the present development, "The Presidium advocates the plan to intensify a tolerant, democratic and deep-going debate within the Socialist Alliance of the Working People on all those basic issues which are genuinely important for the future of the Slovenian people. It is also still in favor of an open, meaningful and argumentative dialogue which is significant for the development today and for our socialist self-management democracy."

This means that the LCY will try to steer a middle course between the ever more articulate social forces demanding a modernization of the system and the dangers which such a modernization might entail. In this, the Party leadership will probably continue to be open for progressive ideas since its members, too, are Slovenes who also personally feel the impetus of growing Slovenian nationalism which pushes this republic ahead. In this, it will basically not be put off by rising opposition from other republics of the federation. This antagonism might even stimulate Slovenian nationalism and thereby rather speed up the development on the road taken. In this way, Slovenia could actually be the "locomotive" of a Yugoslav development toward more pluralism.

The forthcoming "rotation" of the current chairmen of the Socialist Alliance of the Working People of Slovenia and the LCY will not hamper this development. All reports indicate that it is backed by a clear majority in the Central Committee.

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H 407 - Ro

28 April 1987

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POLITICAL REPORT

TgbNr. 416/87 VS-V

Subject: Czechoslovakia - Items of Information on GORBACHEV's Visit to Czechoslovakia (9-11 April 1987)

DOI: April 1987

Evaluation: C and F - 3

Summary:

In June 1987, a Central Committee plenum is to discuss measures to initiate the reform course - taking into account the results of GORBACHEV's visit - and personnel changes in the top Party leadership. During a conversation with GORBACHEV, HUSAK indicated that he intended to leave the shaping of a "new chapter" in Czechoslovakia's history to others.

JAKES let his close associates know that, following the talks with GORBACHEV, the decision about HUSAK's succession had been made in his favour. "Nothing had been decided" about the timing, but the idea was to settle "all that" as well as some major personnel changes in June.

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A) DOI: April 1987 Evaluation: F - 3 (B from F)

1. According to a Czechoslovak diplomat serving in a Western country, a special plenum of the KSC Central Committee (CC) is to be held in Prague in the near future - possibly in June 1987. On its agenda will be measures to launch a reform course (taking into account the results of GORBACHEV's visit to Czechoslovakia) as well as major personnel changes in the top leadership.

2. In this context, the diplomat referred to GORBACHEV's visit to Czechoslovakia (9-11 April 1987):
On the first day of his stay in Prague, GORBACHEV had had talks lasting several hours with HUSAK and a small circle of top functionaries. The talks had been characterized by an "unprecedented frankness" and had sometimes been "dramatic". The Soviet Party chief had said that he had not come to exert pressure; his aim rather was to solicit support for his reform projects and, above all, to convince his interlocutors.

3. Notwithstanding many reservations, those taking part in the talks had agreed in the end that, in Czechoslovakia, too, there was a need for extensive reforms. HUSAK had made it clear, though, that he would leave it to others to shape this "new chapter" in Czechoslovakia's history.

B) DOI: April 1987 Evaluation: C - 3

1. A Czechoslovak Party functionary said that, JAKES, who has for some time been regarded as the top contender for HUSAK's succession, said to close associates after the top-level talks on 9 April 1987 that it was now settled that he, JAKES, would succeed HUSAK in the position of General Secretary ("that's settled"). "Other important changes" were to be expected in the near future. With regard to the timing, "nothing had been decided yet", but the idea was to settle "all that" by June 1987.

2. It had also been learnt from circles close to JAKES that the postponement at short notice of GORBACHEV's visit (from 6 April to 9 April) was in fact due to health reasons. During the visit, there had been some disagreements between GORBACHEV und HUSAK (i.a., HUSAK had tried to dissuade his Soviet visitor from visiting Bratislava).

/Comment:

1. The June date mentioned for a CC plenum of the KSC (to deal with the recent GORBACHEV visit) appears realistic. In his policy statement before the Federal Assembly on 24 March 1987, Premier STROUGAL had said that a law on state-owned enterprises would be adopted by June 1987. The "principles for the reorganization of the economic mechanism" and associated legislation are also to be published by the end of the year, following their passage through the Party and government organs. Bearing in mind the summer recess, the programme would therefore have to be discussed by the CC plenum already in June if the above schedule is to be adhered to. The "social-security measures" are to be introduced on 1 July and the increase in retirement pensions, on 1 October. Prior Party decisions are required also for these measures before they can be passed finally by the Federal Assembly.
2. Considering the source background, the information on the possible resignation of HUSAK and the succession of JAKES is not incredible. It suggests that, during GORBACHEV's visit, preliminary personnel decisions were apparently taken, although the timing was left open. That being so, it seems rash to expect a change in the top Party leadership already in June, especially since the GORBACHEV visit has, if anything, relieved the Czechoslovak leadership of the pressure for early personnel decisions in the top leadership. However, the expectations of part of the Prague leadership are unlikely to have changed much as a result. The jockeying for positions and factional struggles between the pragmatists and the orthodox will therefore continue unabated, albeit under changed circumstances.

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The question when exactly HUSAK will consider the time ripe for a "new chapter" in Czechoslovak history thus remains open./

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16 April 1987

SUPPLEMENTARY POLITICAL REPORT

TgbNr. 1347/87 VS-V

Subject: Soviet Union - GORBACHEV's Official Goodwill Visit to Czechoslovakia (9-11 April 1987) - Concomitants, Course, Results

Cutoff Date: Mid-April 1987

Summary:

1. The course of GORBACHEV's visit to Prague (9-11 April 1987) has disproved rumours/speculations about a political background of the postponement of GORBACHEV's journey to Prague as far as bilateral relations are concerned. In support of this assessment, a multiplicity of arguments/facts can be adduced. Nor are there any indications so far that circumstances within the Soviet Union were responsible for the delay. Efforts to shed light on this question are under way. It cannot be ruled out that the official explanation of GORBACHEV having caught a cold is in fact correct.

2. GORBACHEV's speech in the Prague Palace of Culture (10 April 1987) focussed on four main subjects:
- domestic-political reform program with emphasis on "democratization" and reference to the Central Committee (CC) plenum which is to weld the individual reform measures into an "integral system" and create a new management structure;
- Moscow's Bloc policy, whose main objective will be to define a new concept for the political relations within the "socialist community" (the separate national identities being accorded pride of place);
- Arms control policy: GORBACHEV's statements on security and arms control policies, specific only in some parts and otherwise vague, essentially reiterate only in the known Soviet positions. They hardly introduce any new aspects with an eye to the further negotiating process. It is only the declared willingness to engage in parallel talks on short-range missiles with ranges between 500 and 1000 km and a freeze on all operational-tactical missiles that could open the way to a solution of the SRINF problem within the framework of the INF talks.
- European policy with the central thesis that it is "of prime importance" for Soviet foreign policy. The statements on this subject, couched in very general terms, lack any conceptual coherence and conviction. A notable feature, as far as the style is concerned, is the absence of polemical harshness, also in relation to the Federal Republic of Germany.

3. As far as the results of the visit are concerned, GORBACHEV himself saw the success of his visit to Prague chiefly in the politi-

cal sphere and climate. On the subject of bilateral economic cooperation, the two General Secretaries apparently had controversial discussions. Whether they succeeded in settling their differences completely cannot be assessed with any assurance at present, but there are grounds for scepticism. For the rest, GORBACHEV went out of his way to allay the fears of the orthodox faction of the Czechoslovak Communist Party (KSC) that he might associate his own reform projects in any way with the DUBCEK line of 1968: he repeatedly distanced himself from the "Prague Spring".

Report:

1. The course of GORBACHEV's "official goodwill visit" to Czechoslovakia from 9 to 11 April 1987, which took him to Prague (9/10 April) and Bratislava (11 April), has largely disproved rumours and speculation about a political background to the postponement at short notice of GORBACHEV's departure for Prague, which had originally been scheduled for 6 September. In the absence of reasonable political explanations, the prima facie assumption must be that the official reason given, viz., a "slight cold", could in fact be correct, unless the delay was caused by other factors, which have nothing to do with bilateral relations between the two countries. At any rate, it is worth noting that GORBACHEV, after being continually in evidence in February, did not engage in any public activities in the periods from 8 to 24 March 1987 and from 2 to 8 April 1987.

2. There are numerous arguments/facts available to support indirect inference:

2.1 It is traditional practice not to announce in advance the exact dates of foreign trips of Soviet leaders (TASS reported on 29 March 1987 that GORBACHEV would go to Prague "during the next few days"); therefore there was no need for Moscow to officially announce the postponements of the General Secretary's visit to Czechoslovakia. (As late as in the case of the last-minute cancellation of the visit to Bulgaria by the ailing CHERNENKO to attend the January 1985 meeting of the WP/Political Consultative Committee, the Kremlin refused to reveal the reasons for the cancellation.) In the absence of a credible motive, the Soviet leadership can hardly be credited with the intention to reveal to the public bilateral or internal differences about the preparations for the visit. Fundamental differences could hardly have been settled within three days. In any case, the postponement was announced at fairly short notice. It is therefore reasonable to assume that the way the Soviets acted was due rather to the changed information policy under GORBACHEV than anything else. It is precisely the Soviet credibility aspirations that would have suffered if no comment of any kind had accompanied the beginning of the visit, bearing in mind that the preparations for receiving GORBACHEV in Prague had obviously been timed for an earlier date (6 April 1987). After all, the Soviet General Secretary himself publicly joked about Western reluctance to believe his explanation.

2.2 GORBACHEV went through the arranged programme without any significant omissions. There were all the ingredients of his meanwhile well-known and publicity-effective self-projection. Nor did he dispense with his "bath in the crowd" and spontaneous talks with Czechoslovak citizens, even though, allegedly, the Czechoslovak leadership was not very happy about it. Since the visit was, all in all, a success from the Soviet point of view, there is little to support the assumption that GORBACHEV's premature return to Moscow was due to Soviet irritation about differences of opinion which had evidently emerged in the talks between the two General Secretaries about problems of bilateral cooperation. It is more likely that the reasons for GORBACHEV cutting short his visit are to be found in

internal Soviet circumstances (forthcoming visit of SHULTZ to Moscow against the background of REAGAN's positive reaction to GORBACHEV's arms-control proposals enunciated in Prague).

2.3 Speculation about policy differences between Moscow and Prague had been disposed of by GORBACHEV himself:
- From the rumours about alleged Soviet wishes to contact protagonists of the "Prague Spring" or about a reassessment of the DUBCEK line, GORBACHEV dissociated himself indirectly but unmistakeably. In his speech at the Palace of Culture on 10 April 1987, GORBACHEV rejected any attempt by "opportunists" to turn the Soviet domestic restructuring into an instrument for their own self-justification. Speaking to workers in a Prague factory, GORBACHEV put this point even more bluntly. Finally, during his stay in Bratislava (in a conversation with passersby), GORBACHEV recalled his first visit to Czechoslovakia in 1969: This "difficult period" had been terminated in a "dignified" and "honorouble" manner on the basis of "correct conclusions", as was apparent, i.a., from Czechoslovakia's vigorous development since 1968. These comments can hardly be seen as anything but a justification of the Soviet intervention.
- More than at any time before, GORBACHEV made it clear in Prague that Moscow did not expect an instant wholesale adoption of Soviet reform policies by its allies, thereby showing the fears/uneasiness of the conservative faction of the KSC to be unfounded. For one thing, he acknowledged the priority of national conditions as a yardstick for socio-economic changes. For another, he made it clear that the Soviet Union had to do some catching-up, because the problems to be solved there had already been, or were in the process of being, solved in other socialist countries. GORBACHEV's praise for the overall state of the Czechoslovak economy put the above general statements into correct terms endorsing Prague's line. Finally, the General Secretary specified his current primary interest in loyal support for the Soviet Union's domestic reform by the allies. If Moscow had harboured any doubts about Prague's willingness to provide backing, HUSAK had removed these doubts definitely at the 5th Central Committee (CC) plenum of the KSC on 18/19 March 1987.
- In depicting the causes and objectives of the Soviet Union's domestic reform measures, GORBACHEV did not make any allowance for variously alleged apprehensions of his hosts.
Significantly, he took special pains to explain his concept of "democratization". The Czechoslovak media were, moreover, credited with informing the population comprehensively about the restructuring processes in the Soviet Union.

2.4 Finally, GORBACHEV's comments on questions of security and arms-control policy contained nothing that could be seen as pointing to dissensions within the Soviet leadership or sniping by the Soviet military leaders as reasons for the postponement of the Prague visit. Although, in his speech at the Palace of Culture, GORBACHEV discussed at unusual length NATO's reservations concerning the interdependance of nuclear and conventional disarmament in Europe, his political line of reasoning did not in any way restrict Moscow's tactical leeway for possible negotiations.

3. Besides paying tribute to Czechoslovakia's achievements, GORBACHEV's speech of 10 April 1987 was concerned with four main subjects:

3.1 GORBACHEV gave a detailed account of his domestic reform program. He again (as at the SED Congress on 18 April 1986) rejected the argument that the Soviet Union was losing prestige as a result of the severe criticism of its state of development. He demonstrated the unsteady performance of Soviet society by juxtaposing available potentials and actual extreme deficiencies. Avoiding the subject of opposition from within the system, GORBACHEV emphasized that his policy had the support of the Soviet people.

A noteworthy point is GORBACHEV's admission that the socio-economic restructuring measures in the Soviet Union were still suffering from elementary conceptual shortcomings. The task of combining the indiviual steps of the reforms into an "integral system" and of setting up a new management structure is to be tackled in the near future by a CPSU CC plenum. GORBACHEV's lengthy comments on "democratization" in the Soviet Union culminated in a reference to the modification of electoral procedures, which, as he proudly remarked, had been anticipated in practice at Party and government levels. This latter remark can be seen as another pointer to the Soviet Leadership's intention to get round the apparat's opposition to secret ballot on a multi-candidate basis by an attack from the grass-roots level.

3.2 GORBACHEV's comments on Moscow's Bloc policy focus on efforts to define a conceptual basis for the relations between the socialist countries, starting from a curtailed Soviet claim to primacy within the "socialist community" (the Soviet Union is not a "model"; the CPSU has no monopoly on truth; no country has a "special status"). The reason given by GORBACHEV for this new-found modesty of Moscow was that the process of the creation of socialism as a world system was completed. This process, beginning with only one, viz., the Soviet societal model, had meanwhile given rise to a number of equally valid national variants in the building of socialism. It follows in the Soviet view that, in shaping political relations within the Bloc, the norms of equality and national autonomy rank first.

The principle of "common interests" is reduced to the requirement of "mutual responsibility" and consideration for the interests of other "fraternal countries". That being so, the General Secretary in substance argues more than ever for partnership and readiness to compromise as essential criteria of cooperation within the Bloc.

This does NOT mean, as Western media have it, that GORBACHEV has dropped the BREZHNEV doctrine (joint obligation to protect by force the socialist achievements), even though he does not use the relevant term "socialist internationalism" (which turns up only in the communique). His remarks in Bratislava, indirectly justifying the Soviet intervention in Czechoslovakia, suggest that Moscow will also in future intervene with armed force against any "counter-revolutionary" developments in "fraternal states" where these are unable to cope with them on a national basis.

Against the background of this Bloc policy concept, which, in substance, continues the line of ANDROPOV (speech at the CPSU CC plenum of 14 June 1983) and, explicitly, that of the Moscow working meeting of the Party leaders of socialist countries on 10/11 November 1986, GORBACHEV defines his central postulate on economic cooperation. As a "logical basis" of multilateral and bilateral integration, he calls for the "equivalent exchange" of national products.

With respect to Soviet-Czechoslovak economic cooperation, he draws the conclusion from the above that this cooperation is in need of a "thorough overhaul". He concedes, though, that its adaption to modern forms of cooperation is subject to objective difficulties. In particular, the establishment of direct ties between enterprises and the setting up of joint enterprises is still hampered by serious unsolved problems (management and legal problems, pricing, wages, distribution of profits). GORBACHEV appeals to his allies for a "constructive" attitude in tackling these problems.

It is above all this area of bilateral relations that seems to have been responsible for the "frank", "candid", and "comradely" (i.e., controversial) character of the talks/negotiations between the two General Secretaries. Despite the official expressions of satisfaction with the results of the talks at the end of the visit (TASS, 11 April 1987), the communique contains nothing to suggest that the divergencies over economic policy have been completely eliminated. In fact, GORBACHEV made distinctions in assessing the result of his visit in a Rude Pravo interview (Pravda of 13 April 1987). He saw the success of the meeting mainly in the political sphere and climate. Only secondarily did he refer also to concrete agreements in the fields of economy, science, ideology, and culture.

3.3 With regard to arms control, GORBACHEV essentially reiterated known Soviet positions on security and arms-control policies. Details about the concrete continuation of the negotiations of the various fora were not given.

3.3.1 Only the statement that, in addition to the ongoing Geneva INF talks, the Soviet Union was ready to enter into parallel talks on short-range missiles with a range between 500 and 1000 km and a freeze on all operational-tactical missiles might, on the face of it, point towards a change in the Soviet position (rejection of SRINF constraints, SRINF talks only after conclusion of INF agreement). The Soviet attitude remains ambivalent, however, because GORBACHEV continues to reject any linkage with LRINF. Also, speaking in general terms (no definition of the term "operational-tactical missiles", and hence no indication which systems are to be included in a freeze or in negotiations between 500 and 1000 km), the General Secretary fully maintains his leeway for negotiations.

All things considered, the ambivalent argumentation of GORBACHEV against the background of Moscow's attitude of negation hitherto maintained increasingly conveys the impression that the Soviet leadership wants to preserve its own massive SRINF superiority

for the time being while at the same time keeping open the option of a denuclearization of Europe.
It remains to be seen whether the Soviets will elaborate on GORBACHEV's statements when SHULTZ comes to Moscow (13-15 April 1987) and/or at the beginning of the 8th Geneva round (starting on 23 April 1987).

3.3.2 Other noteworthy aspects are:
- The emphasis on the common interests of the Europeans and the Soviet Union with regard to arms control, especially in the struggle for a world without nuclear arms;
- the renewed confirmation that, on signing an INF zero option in Europe, the "SS-12/22 counter-deployment" could be dispensed with;
- the renewed emphasis on chemical- and nuclear-free zones in Europe;
- the reiteration of Moscow's readiness to bring about a step-by-step reduction in the conventional armaments of WP and NATO, including the reduction of existing, historically grown, minor disparities on the basis of an existing military equilibrium and of the Budapest Appeal;
- the proposal for a foreign-ministers' meeting of the CSCE countries for the purpose of agreeing on a mandate for conventional disarmament throughout Europe;
- the statement that Moscow was ready to accept strict verification measures, although these must be in proportion with the object and scale of disarmament in question;
- the news that the Soviet Union
+ had discontinued the production of chemical weapons (CW),
+ had no CW outside its territory,
+ had started to build a CW disposal facility, and
+ believes a convention banning CW to be attainable within 1987;
and that the NSWP countries had never manufactured, or stored on their territory, any CW.

3.3.3 GORBACHEV's announcement in the area of CW and the resulting show of optimism that a convention banning chemical weapons could be concluded before the end of the year represent a continuation of the current Soviet offensive in this area of disarmament. The statements, which are of little help for the actual negotiations, are intended mainly to score propaganda points with the Western public and to underline the seemingly flexible attitude of the Soviet Union on these issues. The outstanding problems, though, such as challenge inspections, inclusion of restricted areas, declaration of stockpiles/depots, etc. remain unsolved.

Moreover, GORBACHEV's claims regarding the discontinuation of CW production and CW storage only on Soviet territory cannot be verified as long as the Soviet Union refuses to provide information on depots and stockpiles and to allow appropriate verification measures prior to the conclusion of a convention. As it is, the West has no reliable information on Soviet CW stockpile levels or the number of CW depots.

- Thus estimates of CW stockpile levels vary between 80,000 and 600,000 t.
- There is reason to believe that in 15 places in the Soviet Union there are non-regional non-type-force-associated CW depots. But CW depots are thought to exist in many other places as well.

- In the Western forward area, there are 51 logistic facilities (15 in the GDR, 8 in Poland, 20 in Czechoslovakia and 8 in Hungary) which are thought, with a high degree of probability, to be designed for the storage of CW agents. It is not possible to determine with assurance the type and quantity of the combat agents, especially since, in this area, CW ammunition or CW agents are stored together with other special ammunition or conventional ammunition.

The statement that the NSWP countries do not produce CW is very probably false. It is fairly certain that Romania is producing CW agents; Czechoslovakia and the GDR are also assumed to do so, and unconfirmed intelligence reports suggest the same for Poland.

3.3.4 The conclusion, emphasized in various media, that GORBACHEV had (for the first time) spoken of a conventional imbalance and even of a conventional superiority of the WP cannot be accepted by this office. GORBACHEV merely conceded the "elimination of imbalance that has developed ...... in some areas" on the basis of an existing equilibrium1), i.e., he did no more than set out the known position of the East.2)

3.3.5 The announcement of a partial withdrawal of Soviet troops from Czechoslovakia and or a zero option for SRINF between 500 and 1000 km, which had been thought possible also by Eastern diplomatic/ attache circles, did not materialize. This does not mean that GORBACHEV will not make the offer(s) at some future favourable opportunity e.g., at the beginning or in the course of the 3rd round of the CSCE (5 May to 31 July 1987) and/or the 42nd MBFR round (14 May to 2 July 1987) and/or WP Political Consultative Committee meeting in East Berlin (late May early June 1987). The non-presentation of these offers in Prague may have been due to differences within the Soviet or Czechoslovak leadership (see first, unconfirmed intelligence report in Annex) and/or between Moscow and Prague, and in the Soviet view that there would be no surprise effect.

3.3.6 The venue, audience, and main line of his arguments, the "unofficial announcement" of a possible new disarmament offer (possibly partial withdrawal of the Central Group of Forces, zero option for SRINF covering 500 - 1000 km range), the resulting attention of the world public, GORBACHEV's moderate criticism of the West, and the emphasis he placed on the importance of the Europeans for the (nuclear) disarmament process, all these factors underline the primarily outward trust of the part of his speech concerned with arms control. It became clear once again that, at least for the time being, the Soviet Union continues to rely on the instrument of public diplomacy, hoping to induce the West/the United States to make concessions, especially with a view to an INF solution along Soviet lines.

In addition, the General Secretary probably saw the visit to Prague as a favourable opportunity to present his disarmament policy to his own camp and thereby secure for himself broad support and at the same time forestall possible criticism of time-consuming and/or fruitless negotiations.

3.4 Concentrating his disarmament proposals on Europe, GORBACHEV

also limited his comments on policy towards the West to this region, this thematic exclusiveness being intended also as a compliment to his hosts (Czechoslovakia as the "geographical centre" of Europe). Nevertheless, he did not fail to stress the priority of bilateralism with the United States in ranking the disarmament issues (the dismantling of the nuclear strategic offensive forces on the basis of the Soviet proposals submitted in Reykjavik remains the chief issue).

As a central theme, GORBACHEV proclaims Europe's "primary importance" for Soviet foreign policy. He again takes up the formula of "our common European home", which he wants to be viewed as an acknowledgement of the indivisibility of the continent transcending the boundaries of different social systems and alliances. From the security-policy point of view, he sees himself confirmed in this realistic vision by the support of some West European countries for his proposals to eliminate medium-range weapons (LRINF) and for the initiatives of other WP countries for chemical-/nuclear-free zones. Appeals for a similar commitment were addressed to Paris, London, and Bonn. For the rest, the General Secretary (like the communique) did not indulge in criticism of the Federal Republic of Germany. Quite generally, GORBACHEV refrained from any polemics in his references to the West.

Nevertheless, GORBACHEV's remarks on how to deal with the political division of Europe boil down to cryptic hints and the repetition of vague catch-phrases such as interdependence and global problems. That being so, there is no conceptual coherence to support the alleged important place of Europe in Soviet foreign policy.

Therefore, the General Secretary's call for more thought to be given to the further course of the integration processes in both parts of Europe with respect to its nature and objective remains obscure. In the last analysis, GORBACHEV himself rules out their compatibility by describing the general transition to socialism as a "natural phenomen" (when drawing attention to the forthcoming 70th anniversary of the "October Revolution"). In Moscow itself, this pondering seems not to have been particularly productive, seeing that GORBACHEV speaks of the normalization negotiations between CEMA and the European Community grandiosely as a "building of bridges" in the interest of all Europe.

The General Secretary is similarly vague in formulating his ideas on all-European problems, such as protection of the environment and the struggle against terrorism, crime, drug abuse and AIDS, and in naming global problems, such as hunger, debts, underdevelopment and conflicts in the Third World, in tackling which Europe is, as it were, to act as one entity. GORBACHEV did not say one word on the practical prerequisites and obstacles of such a cooperation across system borders. Therefore, his vision of a temporary inter-system partnership on the continent remains for Western Europe a cheque on the future, which is unacceptable, because its political implications cannot be calculated.

5. All in all, the circumstances of GORBACHEV's visit to Prague raise questions that require clarification. Even taking into account controversial talks on economic cooperation, it can be said that the visit followed the normal routine. The delay of the visit

cannot therefore be attributed to acute strains in the bilateral relationship. The Soviet General Secretary hardly needed additional time for reflection to make allowance for the unease of the orthodox KSC faction about any linking of his reform projects with the DUBCEK policy of 1986 and to attest Prague's domestic-political autonomy with regard to internal Soviet developments, which autonomy, it is true, also implies responsibility. In this context, GORBACHEV's presentation of a new concept for relations within the Soviet Bloc is likely to have been welcomed by the KSC leadership. Therefore, unless one accepts that the delay in the visit was probably caused by GORBACHEV having caught a cold, one can only speculate that disagreement, had arisen within the Soviet leadership which were probably unconnected with GORBACHEV's Prague visit but which made it essential for GORBACHEV to stay in Moscow beyond 6 April 1987. As it is impossible to shed light on such questions exclusively by analytical means, we have to wait for intelligence information do so. Such information may form the subject of another report.

Notes:

1) "The West speaks of inequality and imbalance" (GORBACHEV in Prague)

2) The Commander-in-Chief of the Warsaw Pact, Marshal of the Soviet Union KULIKOV, in an interview of the Yugoslav news agency Tanjug of 12 April 1987, also merely refers to an approximate conventional equilibrium between WP and NATO.

Entoke alemán

135/C

09 June 1987

ECONOMIC REPORT

TgbNr.: 1118/87 VER

Subject : Soviet Union
Details of Soviet Oil Product Imports and Exports

DOI : April 1987

Evaluation : F - 3

Summary:

1. The USSR apparently wants to conceal imports of extra kerosene and Diesel fuel imports from the refineries in Curacao/Netherlands Antilles and Venezuela and handles the transactions through Cuba.

2. The Soviet VO SOVBUNKER plans to increase the exports to Rotterdam of oil derivatives by 10 % to an annual total of about 1.2 million tons.

Report:

1.1 Cuba has been trying since early April 1987 to charter three medium-sized (abt. 8500 tdw each) oil product tankers, initially for a period of six months. The tankers are to be used for transporting kerosene and Diesel fuel from the refineries in Curacao/Netherlands Antilles and Venezuela to Cuban transit ports. When the tankers are chartered, no official mention is to be made about where they will be used.

1.2 Most (abt. 90%) of these tanker shipments is to be re-directed from Cuba to the USSR with Soviet vessels, the balance to remain in Cuba.

1.3 Soviet tanker capacity requirements for transactions of this type are reportedly two or three medium tankers throughout the year. The quantities to be shipped by them will be delivered in addition to the ongoing transshipments of hydraulic fluid from the refineries mentioned via Cuba to the Soviet Union.

2.1 The Soviet VO SOVBUNKER, Moscow, plans for the second half of the year to increase the exports to Rotterdam of oil derivatives, mainly "gasoline components", by 10 % to an annual total of approx 1.2 million tons.

2.2 As before, the shipments will reportedly by handled by tank cars to the Finnish transit ports of Hamina and Rauma and from there by tanker to Rotterdam. It is planned to increase the number of oil product tankers (average size, 10,000 tdw) from currently four to six.

Comment:

1. The Soviet Union has since November 1986 been procuring 400 - 450 t of hydraulic fluid per month via Cuba from the refinery in Curacao. The Soviet Union is dependent on these imports because it is evidently unable to produce these high-grade special oils indigenously in sufficient quantities. In order not to make this inability public, the imports are handled via Cuba.
We cannot say why the same procedure is used for the kerosene and Diesel fuel imports as mentioned in the report.

2. The intention of VO SOVBUNKER to increase oil-product exports to Rotterdam is merely of marginal importance, considering the stated annual quantity of around 1.2 million tons compared with total Soviet oil-product exports to the countries of the European Community (1986, 23.5 million tons). Soviet efforts to further increase oil-product exports to Western Europe in 1987 became known earlier this year when VO SOVFRAKHT, Moscow, was instructed by the appropriate authorities to provide, beginning in March 1987, 50 per cent more transport capacity for shipping Soviet oil products.

03 August 1987

SUPPLEMENTARY REPORT ON INTERNATIONAL COMMUNISM

TgbNr.: 1031/87 VS-Vertr.

Subject: Activities of International Soviet-Controlled Front Organizations No 07/87

Period Covered: 01 - 31 July 1987

Summary:

See Table of Contents p. 3 and General p. 4

01·17

TABLE OF CONTENTS

I. General

The picture that the Soviet-controlled international front organisations had presented over the last few months has not changed in substance over the period under review. Apart from disarmament, the regions of Central America, the Middle East and South Africa were the main targets of propaganda. The "Week of Solidarity with Cyprus" from 15-22 July 1987 as well as the events in South Korea caused several front organisations to extend their respective propaganda activities.

In autumn 1987, a consultative meeting of the "classic communist front organisations is scheduled to be held in Prague where the international situation, developments and activities as well as questions concerning cooperation and participation in forthcoming fora are to be discussed. In spite of Soviet efforts to contact new target groups and potential "multipliers" in all possible fields by means of new "initiatives", the classic front organisations with their worldwide activities continue to hold a priority position in Moscow's transnational, i.e. "inter-social", strategy of influence. As a rule, almost every occupational and social stratum of society in the Western and Third World countries is covered by a front organisation. Each of these front organisations controls a network of cover, subordinate or front-of-front organisations, with the help of which propaganda can reach any specific target group.

Special consideration should be given to the fact, that, after more than 20 years, the All-Chinese Trade Union Federation has resumed its links with the World Federation of Trade Unions (WFTU) and invited a WFTU delegation to China. The Chinese-Soviet controversy within the WFTU broke out in 1960. It led to a dispute in the course of which the Chinese condemned the dependence of the WFTU on Mosocw. Intensified countermeasures from Moscow's faction in the WFTU and the beginning Cultural Revolution in the People's Republic of China weakened China's enthusiasm and resulted in the restoration of Moscow's dominance in the WFTU after the Chinese representatives had walked out of the WFTU bodies in 1966. Outside the WFTU the Chinese were unsuccessful in establishing a rival organisation in the form of an Afro-Asian trade union organisation. Similarly, efforts of the pro-Soviet WFTU to establish its own regional body in Asia failed, mainly because some Asian trade union organisations refused to isolate China on the trade Union level.

In the framework of Soviet efforts to establish apart from the traditional communist front organisation an increasing number of so-called "front-of-front" organizations in the form of "occupational initiatives" which are not identified in public as communist-influenced and -controlled groups, and, consequently, have less suspicious and more effective leeway for making contacts and exerting influence, special attention should be paid to current Soviet efforts to win the important group of historians for cooperation based on Soviet ideas of disarmament. According to a comment of Czechoslovak historian Karel HERMAN, the international

conference on "the Concept of Peace in History and the Present Time" which had been staged in Moscow in June 1987 on the initiative of the "Committee of Historians of the SU" decided upon establishing an international organisation reaching beyond the borders of political blocs and comparable to the "International Physicians for the Prevention of Nuclear war" (IPPNW).

II. Events and Activities

worlwide

Consultative Meeting of the Classic Communist Front Organisations

According to information at hand, a consultative meeting of the classic communist front organisations will be convened in Prague in autumn 1987 on the initiative of the World Federation of Trade Unions (WFTU).

This meeting is likely to be one of the consultations taking place regularly since 1984 with the aim to discuss the international situation, developments and activities as well as questions concerning cooperation and the participation of communist front organisations in forthcoming events. The most recent meeting of this kind took place in Berlin (East) in September 1986.

Regular participants to these consultations are the following communist front organisations:
- World Peace Council (WPC)
- International Organisation of Journalists (IOJ)
- World Federation of Trade Unions (WFTU)
- Women's International Democratic Federation (WIDF)
- International Union of Students (IUS)
- Afro-Asian People's Solidarity Organisation (AAPSO)
- Asian Buddhist Conference for Peace (ABCP)
- Berlin Conference of Catholic Christians in European Countries (BC)
- Christian Peace Conference (CPC)
- World Federation of Teachers' Unions (FISE)

In spite of Soviet efforts to contact relevant target groups and potential "multipliers" in all possible fields by means of new "initiatives", the Soviet-controlled front organisations with their worldwide activities continue to hold a priority position in Moscow's "intersocietal" strategy of influence. As a rule, almost every occupational and social stratum of society in the Western and Third World countries is covered by a front organisation. These organisations control a network of cover, subordinate and front-of-front organisations, with the help of which propaganda can reach any relevant target group.

Preparation of an International Conference

According to information at hand, the Central Committee of the CPSU asked the "Institute for Marxism and Leninism" of the CPSU to organize, in cooperation with the "Academy of Sciences of the Soviet Union" and the "Academy of Social Sciences" at the Central Committee of the CPSU, an international scientific conference on "The Great October and the Present Time" on the occasion of the forthcoming 70th anniversary of the October Revolution. The exact place and date of the conference have not yet been made known.

It is supposed that this conference is, in fact, the "informal meeting of the Communist Party scheduled to be held within the framework of the 70th anniversary of the October Revolution, to which socialist parties, Social Democrats, and representatives of the "liberation movements" are also to be invited. In order to cause a large number of communist parties to participate in the meeting, its agenda is to be limited to the issues of disarmament and peace without the necessity to decide upon any final document.

It should be noted in this context that, in spring 1987, during the talks between GORBACHEV and Georges MARCHAIS, the Secretary General of the Communist Party of France, discussions took place as to whether or not to hold a large-scale common meeting of the different forces in Europe that stand up for disarmament.

Activities of the Trade Unions International of Chemical, Oil and Allied Workers (ICPS *1)

It remains the most important objective of the 11 Trade Unions International (TUI) which are affiliated to the communist-controlled World Federation of the Trade Unions (WFTU) to get access to non-communist trade union movements by means of occupational activities and or to gain direct influence on the trade union federations of the West via the affiliated trade unions in the respective countries. Additionally, the different TUIs have a considerable part to play in the WFTU's worldwide campaign for disarmament in their capacity as backbone of the occupational influence-gaining offensives.

In this context, special attention should be paid to the activities of the Trade Unions International of Chemical, Oil and Allied Workers with regard to the preparation of the "10th International Occupational Conference", to be held in Moscow from 12 to 16 October 1987.

An essential target of TUI agitation - against the background of an intensified preparation of the conference - are the multi-national concerns. Great efforts continue to be made towards establishing occupational "International Coordination Commissions", where the trade union representatives from various subsidiaries of multi-national concerns would come together. At the present time, the activities of the TUI are focused on the coordination of activities, launched by the European trade union organisations active in enterprises of the "Eastman Kodak" and "Solvay" concerns. Apart from this, European conferences are scheduled by the trade union active in enterprises controlled by the French concerns of "Saint Gobain" and "Rhone Poulenc". A number of further initiatives are now in preparation for Latin America with a view to "Rhone Poulenc Rhodia" and for Asia with regard to "May and Baker". In Africa, the action programms of the TUI centers on coordinating trade union activities in countries on the Gulf of Guinea against the transnational concerns of the region. The Coordination Committees of the trade unions in the "Solvay" and

"Eastman Kodak" concerns started to publish regular European bulletins. Similar initiatives are envisaged with regard to "Shell" (Great Britain/Netherlands), "Imperial Chemical Industries" (Great Britain) and "Michelin" (France).

Particular emphasis in the work of the TUI is given to the extension of regional activities with priority on the Latin American continent. A total of 30 of the 102 national member organisations alone are situated in Latin America. Beyond this, there are close links with the "Pan African Federation of Petroleum, Energy and Allied Workers" and the "Arab Federation of Petroleum, Mine and Chemical Workers" (AFPMCW). They also cooperate with the TUI in the field of education and advanced education.

In the framework of the disarmament campaign of the WFTU, activities of the TUI which aim at mobilizing or influencing the trade unions in this sector of industry along the lines of Soviet perceptions of disarmament are considered essential. In order to guarantee continued and coordinated cooperation within the framework of the campaign, a special "Study Group on Disarmament" was called into existence which has recently published a two-volume study on the "Dangers of Chemical Weapons and the Possibilities of Conversion of the Military Sectors of the Chemical Industry".

With regard to the disarmament campaign, agitation is at present concentrated on a project by the SED (East German Socialist party) and SPD (West German Social Democratic Party) for establishing a chemical-weapons-free zone in Central Europe.

Further Preparations of the Second Conference of "Teachers for Peace"

The "World Federation of Teachers' Unions" (FISE *2) continues to see its main objective in mobilizing the international teachers' movement along the lines of Soviet disarmament perceptions and in promoting the propagation of Moscow's viewpoints at all levels to which it has access. In its preparatory work for the 2nd conference of the trade union movement "Teachers for Peace", planned to be held in Bonn in May 1988, it makes a special effort towards increasing the effectiveness of activities on an international level and establishing new links for cooperation. The FISE already played a significant role in initiating, planing and finalizing the 1st conference, although, for tactical purposes, it only operated on equal terms with other organisations.

For the further preparation of the 2nd conference of "Teachers for Peace", preliminary meetings are planned to be held in September 1987 and in early 1988, in order to set up the agenda and discuss questions concerning the financing of the conference. The first international preliminary meeting with the participation of representatives from Denmark, Great Britain, Hungary, Ireland, Norway, The Netherlands, Poland, the Soviet Union, the Federal Republic of Germany, Sweden and from the FISE and the SWAPO took place in Hamburg in April 1987.

Since its foundation the Fise has been committed to establishing a

unified international trade union organisation of teachers. It hopes that new direct contacts with non-communist organisations in the educational sector, which are established within the framework of the peace and disarmament campaign of the Soviet-controlled front organisations, will extend coordinated activities which, in the long run, are expected to lead to comprehensive cooperation. Although the FISE has always been flexible enough to face any emerging situation or standpoint without compromising or even sacrificing its own opinion on certain principal issues, its past efforts have not been very successful.

The coordination of all FISE activities within the framework of the disarmament campaign is in the hands of its study group "Education for Peace". It sees its main objective in encouraging dialogue and research work in the fields of "Education for Peace" and in promoting the teachers' awareness of disarmament problems.

Activities of the "World federation of Trade Unions" (WFTU) Commission for Engineers, Supervisory and Managerial Staff and Technicians

In planning its activities, the Soviet-controlled "World Federation of Trade Unions" (WFTU) strives for more influence on the group of engineers and technicians as well as on their trade union organisation. An important instrument for turning this aim into reality is the Commission of the WFTU for Engineers, Supervisory and Managerial Staff and Technicians which is chaired by Alain OBADIA (France), Secretary General of the "Trade Union Federation of Engineers and Technicians of France" (UGICT).

The Commission's assignment is to influence the occupational group of engineers, supervisory and managerial staff and technicians along the lines of the WFTU's political perceptions and to motivate it to cooperate. Another important aspect of the commission's activities is the promotion of further contacts with the institutions and organisations in question.

Main emphasis in the activities of the commission has recently been laid on the Third World. It is remarkable in this context that efforts are made to start concrete actions, within the framework of the campaign of the Soviet-controlled front organisations, designed to foster the introduction of a new world economic order in Latin America and Asia. A number of events and meetings of the commission are planned for the region to which all interested organisations are to be invited. In New Delhi, a symposium of engineers, supervisory and mangerial staff and technicians it to be held.

It is interesting to note in this connection that A. YU. ISHLINSKIY (Soviet Union), chairman of the "All-union Council of Societies for Engineering Sciences" was elected president of the "World Federation of the Organisations of Engineers" during its general assembly in Vancouver (Canada) at the end of May 1987. ISHLINSKIY's election paves the way for the Soviet Union and/or the WFTU to gain direct influence on the activities of this organi-

sation. According to our information, the next general assembly of the World Federation is scheduled to be held at the headquarters of the WFTU in Prague in autumn 1989.

International Conference on "The Concept of Peace in History and the Present Time"

Within the framework of Soviet efforts to establish, apart from the "classic" Soviet front organisations, an increasing number of so-called "front-of-front organisations" in the form of occupational bodies which are not identified in public as communist-influenced and -controlled and, consequently, have less suspicious and more effective leeway for making contacts and exerting influence, special attention should be paid to current efforts of the Soviet Union to win the group of historians for cooperation based on Soviet ideas of disarmament. A vital part is played by the national "Committee of Historians of the Soviet Union" which is chaired by the Member of the Academy Sergey TIKHVINSKIY.

It should not pass unnoticed in this connection that - as has only just become known - on the initiative of the "Committee of Historians of the Soviet Union", an international conference took place in Moscow at the end of June 1987 on "The concept of Peace in History and the Present Time" which was attended by about 60 scholars from Europe, Asia, and America. The purpose of this meeting was to find out how this important group of social "multipliers" could be involved more actively in the worldwide campaign for peace.

Up to this moment, no information is available on a follow-up conference. It can, however, be assumed that, in accordance with the common practice and recurring organisational pattern of such events, a comprehensive organisational framework for the social target group of historians will be developed before long, aimed at raising an additional pillar for the worldwide communist peace propaganda. According to a comment by Karel HERMAN, a Czechoslovak historian, an international organisation is to be established which reaches beyond the borders of political blocs and could be compared to the "International Physicians for the Prevention of Nuclear War" (IPPNW).

E u r o p e

Meeting of the European Trade Union Youth

The "World Federation of Trade Unions" (WFTU) continues to attribute great importance to exerting special influence on young people in the trade unions, above all within the framework of the "Campaign for Peace and Disarmament". The WFTU's action programme for Europe puts particular stress on organizing meetings of young people from Western Europe and the Soviet bloc countries at which common standpoints are to be elaborated as a basis for joint actions.

This was also the purpose of a meeting of the European Trade

Union Youth which was held under the motto of "Young European Trade Unionists on their Way towards Dialogue and Understanding" and took place from 12 to 17 July in Pizunda/Soviet Union.

In five study groups the following subjects were discussed:

- the removal of medium-range missiles in Europe, the reduction of troups and conventional weapons, the introduction of a comprehensive system of international security;
- environmental protection;
- young people and leisure time, sports and culture;
- the right of the young generation to vocational training, work and a life in dignity and
- young people and the trade unions.

Participants from 26 European countries travelled in a special "Train of Friendship of Young Trade Unionists from European Countries" via Paris, Berlin (East) and Warsaw to the Soviet Union. The preparation and organisation of the meeting was supervised by the Communist Trade Union Organisation of France (CGT), the Free German Trade Union Federation (FDGB East Germany) and the All-Union Central Council of Soviet Trade Unions.

European Students' Meeting

In mid-July 1987, a European students' meeting was held in Southampton/Great Britain which was attended by representatives of student organisations from approx. 30 countries as well as international and local student organisations from Asia, Africa and Latin America. During the meeting, the extension of cooperation, the international situation and the participation of students in the activities of the peace movement were subjected to detailed discussions. There was also an exchange of opinion on a number of questions concerning the preparation of the IUS congress, scheduled to be held in Havanna in November 1987. No information is available on the concrete results of the meeting.

The meeting primarily served the purpose of the IUS functionaries and/or the students organisations of the Soviet bloc countries for propagating Moscow's "Initiatives for Peace and Disarmament" and to exercise specific influence on the political opinion forming process in the European students' movement. Interesting in this context is the planned publication of regular so called "newsletters" in order to improve the exchange of opinions between national students organisations.

The European students' meetings which started in 1959 on the initiative of the Polish and French student organisations are generally held alternately in a Western European and East European country once every year. They are an important help to the IUS and its affiliated student organisations in organizing and implementing their action programmes or controlling their propaganda in Western Europe. They play an essential part in preparing these meetings both with regard to their conceptual and organisational structure.

In view of the 15th IUS congress, particular emphasis of the

IUS action programme in Europe continues to be laid on:

- mobilizing students for concrete actions within the framework of the IUS campaign "Students for Peace, Against Nuclear War"
- promoting activities and campaigns within the framework of the IUS campaign "Education - a Right, not a Privilege"
- organizing, in cooperation with European national student organizations, campaigns of solidarity, in particular with Central America, Southern Africa and the Middle East in the form of solidarity, journalist or information visits and other effective measures.
- organizing discussion rounds on questions concerning problems such as the environment, energy resources, health etc.
- cooperating with national European student organisations in the fields of culture, sports, press and publicity, student tourism and student exchange programmes
- establishing closer contacts with organisations of university and secondary modern school students as well as with professors, young reseachers and all other groups that form part of the academic community
- promoting joint activities with national European student organisations with regard to questions concerning the social status of students, students' hostels, university grants and students' benefits.

The Soviet Union was represented in Southampton by a delegation under the leadership of S. ZNURAVLYEV, vice-chairman of the "Committee of Youth Organisations of the Soviet Union" and chairman of the Students' Council of the Soviet Union.

A s i a

Activities of the "International Union of Students" (IUS)

At the moment, it is interesting to note the renewed efforts of the IUS towards increasing its activities in the Asian region against the background of further preparations of the IUS congress, scheduled to take place in Havana, Cuba, in November 1987. As has recently become known, an international students' meeting was held in Ulan Bator at the end of June 1987 under the motto of "Students Combatting for Peace, Security and Cooperation in the Asian and Pacific Region" which was attended by representatives of student organisations from 25 countries. The meeting was followed by an international seminar on the contribution of the youth and students towards finding solutions to their countries' social problems.

The event had been organized for the purpose of extending the influence of the IUS in the Asian region by means of establishing direct contacts with individual national student organisations. In doing so, the IUS also takes advantage of the fact that the local students' movement is beginning to show a greater concern for international questions which it has not been interested in before.

For the preparation of the events in Ulan Bator, a delegation of the IUS, headed by J. SKALA (president) and G. MICHAELIDIS (se-

cretary general), came to Moscow on 10 June 1987.

The IUS hopes for an increase in activities and an intensification of its work in the region by preparing the "13th World Festival of Youth and Students" which is planned to be staged in Pyongyang in the summer of 1989 and will be organized by the IUS and the "World Federation of Democratic Youth" (WFDY). The staging of the World Festival in North Korea marks the first time for such an event to take place in an Asian country. Questions concerning cooperation and the further preparatory work for the World Festival were the main subjects under discussion at a consultative meeting which also took place in Pyongyang at the end of June 1987.

The main objective of the IUS in Asia, on which it concentrates its entire activities in the final analysis, remains to establish a regional organisation under its control. An important instrument for implementing this aim is the "Asian Students' Information Centre" (ASIC) which is, at the moment, composed of 23 national student organisations and 3 organisations with a consultative function from 24 countries. It is the main goal of the ASIC, which has its HQ in New Delhi, to coordinate the activities of the IUS in the Asian region and to establish links with Asian student organisations with different political orientations while conceiling its own communist objectives. All attempts by the IUS to develop its own regional organisation in the Asian region failed because of the negative attitude of most of the national student organisations. The work of the IUS in Asia is also affected by the existence of the non-communist "Asian Students' Association" (ASA) and the Chinese activities.

Consultative Meeting of the Communist Parties

From 7 to 9 July 1987, a consultative meeting of the communist parties in Asia and the Pacific region was held in Ulan Bator on "In Favour of Peace, Security and Good-Neighbour Cooperation" which was attended by delegations from 21 communist parties of the region. The preparation and organisation of the meeting was in the hands of the "Mongolian Revolutionary People's Party". With this carefully prepared conference the CPSU intended, above all, to re-organize and further develop its relations with the communist parties of the region. No details are available on the results of the meetings.

The meeting - whose participants specifically refrained from passing a resolution - was meant to offer an opportunity for a mutual exchange of experience and information. Another important item on the agenda was the more effective involvement of the communist parties in the campaign for disarmament. Despite the different political positions of the individual communist parties there is, not least because of the "internal" strategy, a common basis within the framework of the current campaign for peace and disarmament of the Soviet-controlled front organisations. In this context, it is interesting to note the Soviet Union's conviction that the communist parties should no longer commit themselves on a selective but on a worldwide basis and with a longterm perspective to the "Peace Movement".

This meeting can also be considered a new effort of the CPSU to prepare the convention of a "World Conference of Communist Parties" on a regional level. Although there is no proof that this question has actually been raised, it can, however, be assumed that the issue had been subjected to internal discussion. For 14 years the CPSU has made continuous efforts to organize another worldwide meeting of communist parties.

The importance that Moscow attaches to the consultative meeting is stressed by the fact that a Soviet delegation, led by A. F. DOBRYNIN, secretary of the Central Committee of the CPSU and head of the "International Department" (the operational Soviet controlling authority of the front organisations) of the Central Committee of the CPSU, participated in the meeting.

Activities of the World Federation of Trade Unions (WFTU) in the Asian region

In addition to what has been reported so far, it has become known that the regional trade union conference on "Cooperation, Peace and Security", which is now being prepared by the "Asian and Oceanic Trade Union Coordination Committee" (AOTUCC), will be held in Manila from 13 to 15 August 1987.
(cp. also No. 4/87)

In this context, special attention should be paid to the fact that the All-Chinese Trade Union federation has resumed its links with the WFTU after more than 20 years and invited a WFTU delegation to China. As a consequence of the Chinese-Soviet controversy, the Chinese stopped their work within the WFTU in the mid-60s. There have also, for some time, been contacts with the trade unions of East Germany, the Soviet Union, Hungary, Bulgaria, Czechoslovakia, North Korea, Yugoslavia and Romania which are primarily fostered by mutual visits of delegations. Relations between the trade unions of China and those of the Soviet bloc countries had been broken off in 1976.

Within the WFTU the Chinese-Soviet controversy broke out in 1960. It led to a dispute in the course of which the Chinese condemned the depence of the WFTU on Moscow. They received strong support, in particular from the countries of Indonesia, japan, North Korea and North Vietnam. Intensified countermeasures from the "Moskow faction" in the WFTU and the beginning Cultural Revolution in the People's Republic of China weakened China's enthusiasm and resulted in the restoration of Moscow's dominance in the WFTU after the Chinese representatives had walked out of the WFTU bodies in 1966. However, neither the Chinese themselves nor the trade union organisations that shared their point of view decided to leave the WFTU. They stopped their work within the full-time working bodies and refused to continue paying their membership fees. Outside the WFTU the Chinese were unsuccessful in establishing a "rival organisation" in the form of an Afro-Asian trade Union Organisation.
Similarly, efforts of the WFTU to establish its own regional body in Asia failed, mainly because some Asian trade union organisations refused to isolate China on the trade union level.

The All-Chinese Trade Union Federation was founded in May 1925. Just like many other mass organisations in the People's Republic of China, it stopped its work at the end of December 1966 as a consequence of the Cultural Revolution. In 1970, a gradual re-establishment of the trade unions began. Since the 9th congress of the All-Chinese Trade Union Federation (ACTUF) in 1979 (the 8th congress took place in 1958) the ACTUF has once again become active all over the country. Today, the ACTUF has approximately 90 million members. Its chairman is Ni ZHIFU, member of the Politburo of the Central Committee of the CP of China. On an international level, the ACTUF is currently linked with more than 120 trade unions.

III. DATES OF COMMUNIST OR COMMUNIST-CONTROLLED INTERNATIONAL EVENTS

a) New or Changed Dates

Manila 13 - 15 Aug 1987	Regional Trade Union Conference on "Cooperation, Peace and Security"; organized by the Asian and Oceanic Trade Union Coordination Committee; (see also same No.)
September 1987 ?	Preparatory Meeting of the 2nd conference of "Teachers for Peace"; (see also same No.)
Moscow 12 - 16 Oct 1987	10th International Occupational Conference of the "Trade Unions International of Chemical, Oil and Allied Workers (ICPS); (see also same No.)
Prague autumn 1987	Consultative Meeting of the Communist Front Organisations; organized by the World Federation of Trade Unions (WFTU); (see also same No.)
early 1988 ?	Preparatory Meeting of the 2nd conference of "Teachers for Peace"; (see also same No.)
Bonn May 1988	2nd Conference of the Trade Union Movement "Teachers for Peace"; (see also same No.)
New Delhi ?	Symposium of Engineers, Supervisory and Managerial Staff and Technicians; organized by the World Federation of Trade Unions (WFTU); see also same No.)

b) Unchanged Dates

New York Late Summer/ Early Fall 1987	International Conference of Lawyers on "Peace and Disarmament"; organized by Association of Soviet Lawyers and American Lawyers' Committee; (see also No. 5/87)

Poland Early Sep 1987	Meeting by representatives of peace movements of CSCE nations; organized by WPC (see also No. 4/87)
Poland September 1987	Session by Executive Committee of International Organization of Miners (IOM); (see also No. 5/87)
East Berlin 14 - 19 Sep 1987	10th International Vocational Conference of Trade Unions of the Metal Industry (see also No. 4/87)
Harare, Zimbabwe September 1987	International Youth Conference on "Peace and Development"; organized by IUS (see also No. 3/87)
Bucharest October 1987	General Assembly of WFTU
Bagdad October 1987	Administrative Committee Meeting of TUI of Workers in Commerce (see also No. 3/87)
? Late Oct 1987	International Trade Union Conference on "Development and Disarmament"; organized by Dublin Committee (see also No. 3/87)
Havana 15 - 21 Oct 1987	IUS Congress
France Fall 1987	Seminar on "Disarmament and Social Progress" organized by WPC (see also No. 4/87)
Sofia Fall 1987	International Conference on "The Role of Nuclear Free Zones in Supporting the Develop-of Disarmament and detente in Europe; organized by WPC (see also No. 4/87)
Australia Fall 1987	Mine Workers' Conference for Peace and Disarmament; organized by IOM (see also No. 4/87)
Czechoslovakia Fall 1987	Working meeting by representatives of national peace committees in Europe and North America; organized by WPC (see also No. 4/87)
East Germany autumn 1987	International Symposium of the Berlin Confeference of Catholic Christians in European Countries (BC), (see also No. 6/87)
Bagdad autumn 1987	Session of the Presidium of the International Organisation of Journalists (IOJ)
Africa November 1987	African Symposium on "The Debt Problems"; organized by the Afro-Asian People's Solidarity Organisation (AAPSO)
? November 1987	Symposium on "Foreign Indebtedness"; organized by WFTU together with Organization for

	African Trade Union Unity (OATUU); (see also No. 3/87)
New Delhi 1987	Conference of Asian and African Writers; organized by Permanent Buro of Afro-Asian Writers (AAWPB) (see also Nos. 8 and 9/87)
Laos 1987	Seminar on Peace and Security in Asia and the Pacific Area; organized by WPC (see also No. 4/87)
Denmark 1987	International Colloqium of the Berlin Conference of Catholic Christians in European Countries (BC); (see also No. 6/87)
Algeria 1987	International Seminar on "The Establishment of a New International Economic Order"; organized by the WFTU
Western Europe 1987	Meeting by Workers in Commerce; organized by TUI of Workers in Commerce (see also Nos. 1 and 2/87)
Columbia 1987	Meeting by Peace Committees from Contadora Group Countries; organized by WCP (see also No 4/87)
Guinea Bissau 1987	Seminar on "Disarmament and Social Progress"; organized by WCP; (see also No 4/87)
? 1988	7th International Occupational Conference of the TUI of Public and Allied Employees (see also No. 6/87)
Paris February 1988	World Trade Union Conference on "International Economic Security"; organized by WFTU (see also No 5/87)
East Berlin February 1988	10th International Conference of the TUI of the Building, Wood and Building Materials Industries (see also No. 5/86)
Moscow September 1988	8th International Occupational Conference of the TUI of Workers in Commerce (see also No 3/87)
India 2nd half of 1988	7th Congress of the Afro-Asian Peoples' Solidarity Organisation (AAPSO); (see also No. 6/87
East Germany October 1988	Meeting by the CPC Continuation Committee (see also No. 12/86)
North Korea 1989	World Youth festival; organized by WFDY and IUS
? 1988	Meeting by former NATO and Warsaw Pact Generals; organized by International Group "Ge-

	nerals for Peace and Disarmament"; (see also No 5/87)
? 1989	International Conference by the WFTU Commission Engineers, Executives and Technicians (see also Nos. 1 and 2/87)
East Germany 1989	15th General Assembly of World Federation of Scientific Workers (WFSW) (see also Nos 8 and 9/86)
Soviet Union ?	International Conference of Muslims; organized International Preparatory Committee; (see also No. 11/86)
?	World Forum on "Responsibility of Young Scientists for Peace and Social Progress"; organized by WFSW (see also Nos. 8,9/86)
?	International Conference off all Religions on "Consolidation of Peace and Security in Asia and the Pacific Region"; (see also No. 10/86)
?	International Symposium on "The Disastrous Social Consequences of the Arms Race"; organized by the WFTU (see also No. 6/87)

Footnotes:

*1) At present, 102 organisations with 13 million members from approx. 50 countries form part of the TUI which has its HQ in Budapest. Secretary General of the TUI is Alain Covet (France).

*2) The communist-controlled FISE (int. Abbreviation for: Federation Internationale Syndicale de l'Enseignement), which has its HQ in Berlin (East), was affiliated to the WFTU in 1946 as one of the 11 Trade Unions International (TUI) It has a privileged position in the WFTU, when compared with the other TUIs, and is more independent of the WFTU in its work for historical reasons and due to the qualifications of its members. The FISE is not merely a trade union organisation; its structure has some characteristics of an occupational body and its importance comes close to that of the other independent communist front organisations. It currently consists of 121 organisations from 85 countries with a total membership of approx. 25 million.

01 July 1987

SUPPLEMENTARY REPORT ON INTERNATIONAL COMMUNISM
TgbNr. 899/87 VS-V

Subject: Activities of International Soviet-Controlled Front Organizations No 06/87

Period Covered: 01 - 30 June 1987

Summary: See Table of Contents p.2 and General p.3

TABLE OF CONTENTS

I. General

The Soviet controlled front organizations have generally been very active during the period under review. Agitation continued to be focused on disarmament and detente. The most important events were the international trade union conference on "Trade Unions for Peace, Disarmament and Detente", the Women's World Congress, and the Workers' Conference of Baltic Nations, Norway and Iceland.

A significant item is that the International Union of Students (IUS) is stepping up its efforts to influence high school students and propagate communist ideas among this target group. Especially by establishing direct contacts and intensifying its dialogue with high school students, IUS hopes to gain greater influence and activate students for its activities. A special organizational framework at the 15th IUS Congress scheduled to be held in Havana in November 1987 is to provide for the widest possible integration of high school students into IUS activities. The main goal is to achieve an internationalization of a "movement of high school students".

The USSR has for quite some time been observed to change its method of perception management, which also became evident in its increased exploitation of the environmental protection movement in the West. It is, for example, intended to link problems of environmental protection with disarmament questions and step up propaganda on the interrelations between these two subjects. For that reason, the Soviet Peace Committee - which the USSR uses to control the World Peace Council (WPC) - initiated the formation of the Organization for the Protection of Peace and the Environment. Established in Moscow in early June 1987, it will be tasked to win influence on the environmental protection movements in the West as well as convey Moscow's political goals to them, since they are important as social multipliers of opinions.

After a longer period of keeping a low profile in propaganda, the Soviet-controlled front organizations are now increasing agitation again for the demand to hold an Asian conference on "Security and Cooperation in Asia" - comparable to the Helsinki Conference for Security and Cooperation in Europe (CSCE). Interesting in this context is that the communist front organizations intend to convene a "Forum of the Asian Public on Actions to Stabilize Peace and Security" within the frame of the campaign for a "CSCA" (Conference for Security and Cooperation in Asia).

II. Events and Activities

Worldwide

International Union of Students (IUS *1): High School Students New Target Group

It is interesting to note that IUS is increasingly trying to gain stronger influence on high school students and propagate communist ideas within that target group. By establishing direct contacts and intensifying the dialogue with corresponding institutions and organizations, IUS hopes to gain more influence on high school students and integrate them more strongly into its activities.

These activities by IUS can be traced back to an informal meeting at the sidelines of the Worldforum of Students on "Education and Society" (Prague, November 1986, see also International Communism No 11/86), which made the decision to use the mobilization potential of high school students for IUS goals. Another consultation on high school students took place during the IUS Executive Committee meeting in Addis Ababa (January 1987, see also International Communism Nos 1 and 2/87). The IUS Secretariat was tasked to intensify contacts with representative organizations and bodies of high school students, develop different forms of cooperation on areas of common interest as well as enhance cooperation between university and high school students.

The 15th IUS Congress planned to be held in Havana in November 1987 is intended to create an organizational framework uniting high school students and integrating them on a broad basis into IUS work. The aim is to enhance the internationalization of the "movement of high school students".

The IUS action program provides for a great variety of special activities targeted at high school students both at the regional and international levels within the frame of its expanded activities. By coming to agreement on topics that seem to be of no political relevance, such as
- democratization of education,
- education to peace,
- problems with study programs and curricula,
- budget cuts,
IUS tries to pave the way for achieving exclusively political long-term goals.

Activities of the International Trade Union Committee for Peace and Disarmament (Dublin Committee *2)

Initiated by the Dublin Committee, an international trade union conference was held on "Trade Unions for Peace, Disarmament and Development" in Geneva in mid-June 1987, which was attended by representatives of 35 national and 14 international labor organizations.
The conferees decided to match and coordinate their activities in a better way. The action program of the Dublin Committee chiefly provides for continuing actions to support the World Federation of Trade Unions's campaign for eliminating intermediate-range nuclear missiles in europe and preventing the militarization of space by the U.S.A. as well as for a gradual removal of all nuclear weapons by the year 2000.

Other topics of discussion were development problems of Third World countries and further preparations for an international trade union conference on "Development and Disarmament" planned to be held in late October 1987. This conference is considered another attempt by the Dublin Committee to extend its activity to Third World countries. In the preparatory phase, links are to be established between the problems of economic development and disarmament questions, and more propaganda is to be awarded to the interrelations between these two subjects.

Foundation of a Soviet Organization for the Protection of Peace and the Environment

The USSR has for quite some time been observed to modify its perception management techniques to the effect that more importance is obviously being attached to the exploitation of environmental protection groups in the West. Propaganda is to be increased especially on the connections between environmental protection and disarmament.

For that reason, a new national "Organization for the Protection of Peace and the Environment" was established in Moscow in early June 1987 at the initiative of the Soviet Peace Committee - which the USSR uses to control the communist World Peace Council (WPC). The new organization will be tasked to gain influence on environmental protection groups in the West and convey Moscow's perceptions to these target groups which are important multipliers of opinions in society. The chairman of this new influence organization is Sergey ZALYGIN, a 73-year old Soviet writer, who has been in charge of the literary journal Noviy Mir for one year now.
Another goal of the new Soviet institution is to support the activities of the international "Ecoforum for Peace" movement, which had been created in Varna, Bulgaria, in August 1986 in order to establish closer ties between environmentalists and the world-wide peace movement (see also International Communism No 3/87).

Information available here indicates that the Soviet Peace Committee hopes to use this new organization mainly for winning Greenpeace, the international environmental organization, for cooperation along the lines of Soviet disarmament perceptions.
The Soviet Peace Committee is going to be responsible for coordinating the activities of the new organization. Funds will be provided by the Soviet Peace Fund.

Activities of the World Federation of Trade Unions (WFTU) within the "International Year - Shelter for the Homeless"

One of the most important aspects of the international Soviet-controlled front organizations continues to be close cooperation with the United Nations, UNESCO, ILO and other specialized organizations, as well as UN special committees. All topics on which the UN are working are also found on the action programs of the front organizations, which focus much propaganda on them. The communist front organizations use their contacts to the UN to create the impression of being democratic and independent organizations.

The massive participation of Soviet-controlled front organizations in the activities of the UN organization only became possible through the change of the regulations (1968) for granting advisory status. All classical communist front or influence organizations today, appearing to be nongovernmental organizations, have "advisory status" with the UN organizations and specialized agencies, which allows them to present their opinions at meetings on specific topics they deal with.
Important to mention in this context are the increasing efforts of some Soviet-controlled front organizations to exploit the UN-proclaimed "International Year - Shelter for the Homeless" for their own purposes. Information available here indicates that the World Federation of Trade Unions (WFTU) and the associate Trade Union International of Building, Wood and Building Materials Industries (TUI) are currently preparing a symposium at which they intend to point out the "disastrous social consequences of the arms race" and propagate the interrelations between the problem of homeless people and disarmament questions. Another purpose of the symposium will be to establish closer connections with non-communist trade union federations under the cover of purported social commitment, the ultimate goal being to achieve unity of action among trade unions. It is not known yet where and when the symposium is going to take place.

Preparations for the 7th Congress of the Afro-Asian People's Solidarity Organization (AAPSO *3)

According to our information, the 7th AAPSO Congress is going to be held in India in the second half of 1988. A delegation of the AAPSO leadership visited New Delhi in early June 1987 for conducting preparatory talks. The "All-Indian Organization for Peace and

Solidarity ", the national Indian member organization, is in charge of all activities dealing with further preparations for the Congress. It is interesting to know that the Indian organization is a member of the World Peace Council as well, which performs control and coordinating functions in central peace and disarmament questions for AAPSO and for all communist front organizations.
The Congress is AAPSO's highest executive organ. It's decision-making power is comprehensive in questions relating to
- the statutes,
- the implementation of decisions,
- principal political questions,
- organizational aspects,
- funding,
- the strategic plan of action.

It is also responsible for electing the president, secretary general, their deputies and the members of the executive boards. The Congress is normally convened every four years.

The reasons why the AAPSO Congress, originally planned to be staged in Tripolis, Libya, has been transferred to India, should mainly be based on disputes within the organization. Differences of opinion on basic political questions between Egypt and Libya and on the role they play in AAPSO frequently impede the activities of this front organization.

The selection of India as the site of the next AAPSO Congress is of importance considering the increased activities of Soviet-controlled international front organizations within the framework of the campaign to support the Soviet demand for convening an Asian conference of nations on "Security and Cooperation in Aisa".

International Symposium of Communist Parties

At the initiative of the Communist Party of Japan, an international symposium on questions of the "international struggle for peace" was held in Tokyo in mid-June 1987. It was attended by representatives of communist parties from 30 nations.

Topics of discussion were the relationship of CPs to the various currents and ideologic positions within the peace movement as well as possibilities to cooperate within the frame of the peace and disarmament campaign. The delegates decided to enhance the coordination and matching of their activities. No information is available yet on the concrete results of the consultations.

A first meeting of this type took place under the headline "Struggle for the Prevention of Nuclear War, Banning and Elimination of all Nuclear Weapons" also at the initiative of the Japanese CP in Tokyo as far back as July 1985.

An indication of the great importance of this new event for the USSR is the fact that the consultations were attended by a Soviet delegation headed by G.M. KORNIYENKO, First Deputy Chairman of the International Department of the CPSU's Central Committee. East Germany was represented by a delegation under

Heinz LEHMANN, Deputy Chairman of one of the departments in the CC of the East German SED party.

World Women's Congress

9th Congress of the Women's International Democratic Federation

(WIDF *4)

The Women's World Congress in Moscow from 23 to 27 June 1987, held upon the initiative of WIDF and the Soviet control and propaganda apparatus behind it, was entitled "Forward to the Year 2000 without Nuclear Weapons! For Peace, Equal Rights, Development". It was attended by 2,286 representatives from 154 nations and from 78 regional and international organizations.
The purpose of the congress was to expand contacts and intensify the dialogue, in that way integrating its target groups more strongly into WIDF activities and winning them for Soviet perceptions of "peace". The Soviet Union was satisfied with the course of the congress, which was opened by a speech of GORBACHEV. All phases of preparation have been heavily influenced by the Soviets.

After the World Congress, there was the 9th WIDF Congress also in Moscow on 28/29 June 1987. The tactically clever move of connecting the World Congress with the WIDF Congress regarding both time and topics of discussion is based on WIDF's intention of familiarizing women's organizations and individuals, who are not WIDF members yet, with the decisions of the WIDF Congress and WIDF's working methods.
No details are available yet on the results of the two congresses.

E u r o p e

Activities of the Berlin Conference of European Catholics (BC *5)

The working program of the BC is already focused on activities for the preparation of the 10th plenary session scheduled for 1988. Important to mention in this context is that BC intends to hold a number of consultative meetings in different European countries. There are plans to hold an international symposium in East Germany in fall 1987, which is going to deal with questions of "Justice, Development and Liberation". An international colloquium in Denmark is to help prepare the symposium.

The BC continues to consider itself to be a progressive Catholic peace movement. It sees its task in providing impulses to the political commitment of progressive Catholics as well as shaping the activities of Catholic circles for peace and disarmament along Soviet lines. An interesting item is that the BC plans to establish its own press service in order to increase the supply of information relating to the peace and disarmament campaign both in Soviet Bloc nations and in the West.

The BC's Presidium Chairman, Otto Hartmut FUCHS, who also was on the presidiums of the East German Peace Council and the World Peace Council (WPC), died in East Germany in April 1987. Fuchs

in addition used to edit the BC organ "Begegnung" (encounter) for a long time, which mainly addresses "progressive" Catholics in the West who "stand up for social progress to achieve socialism in countries dominated by capitalism".

Meeting of the Europe Commission of the WPC Presidium

The Europe Commission of the WPC Presidium held a meeting in Nordwijk, Netherlands, from 12 to 15 June 1987, which was attended by representatives of national peace committees from Europe, Canada, and the U.S.A.

The consultations were concentrated on the practical implementation of the WPC action program and its modification according to developments of the political situation as well as the adaptation to the goals of the Soviet European policy. No details have become available yet on the results of the consultations.

Another highlight on the action program probably is the further preparation of a "meeting by representatives from peace movements of CSCE nations" planned to be held in Poland in early September 1987, and a "working meeting by representatives of the national peace committees of Europe and North America" scheduled to take place in Czechoslovakia in the fall of 1987.
The meeting closed with an appeal to the heads of governments of Warsaw Pact and NATO countries demanding the immediate elimination of medium-range missiles.

Workers Conference of the Baltic Countries, Norway and Iceland *6)

The annual Workers Conference of Baltic Countries, Norway and Iceland took place in Leningrad on 10/11 June 1987 at the initiative of the "Permanent Committee". The motto was "for stronger joint trade union activity in the struggle for securing peace, for international cooperation and social progress", and the topics of discussion referred to the further mobilization or better integration of trade unions into the disarmament campaign of the World Federation of Trade Unions (WFTU). The conference, attended by some 150 delegates from nine countries, was organized by the Soviet Trade Union Federation. The functions of a Soviet "national committee of the workers conference" are performed by the Central Council of the trade union federation in the USSR.
The conference program was not very comprehensive, so that, also in order to win a large number of non-communist labor activists for participation, only general questions were discussed. The following topics were dealt with in three working groups:
- The role and responsibilities of trade unions in various social systems in the struggle for peace, international cooperation, trade union rights, democracy and social progress;
- The struggle of trade unions of the Baltic countries, Norway and Iceland for nuclear and chemical-weapons-free zones in Europe, an important step for the consolidation of peace;
- The scientific-technological revolution, environmental protection and trade unions.

No information is available yet on the concrete results of the con-

sultations. A special highlight of the new working program is going to be action within the "United Nations Disarmament Week" and on the occasion of the World Peace Day on September 1. An interesting item is the Soviet proposal for a meeting of trade union leaders of countries with medium-range missile deployments.

The conference elected the 46 members of the Permanent Committee. Its chairman, Heinz HANNS (East Germany), Presidium member of the Free German Trade Union Federation, was re-elected. Between conferences, the Permanent Committee and its International Secretariat are responsible for chairing the workers' conferences and coordinating the activities of the national committees. The two bodies consist of representatives of all national committees. The Permanent Committee, headquartered in Rostock, East Germany, convenes twice or three times a year in different Baltic nations.

Communist propaganda once again tried to present the conference as a meeting of trade union representatives of WFTU member organizations, the non-communist International Confederation of Free Trade Unions (ICFTU) and autonomous organizations. But so far only local or company-connected trade union representatives from non-communist countries attended the workers' conferences. Their participation lacked a direct mission from their national trade union headquarters.

A S I A

International Trade Union Meeting on "The Role of Trade Unions in the Struggle for Regional Cooperation, Development, Peace and Security in Asia and the Pacific Region

After a longer phase of propagandistic restraint, the Soviet-controlled front organizations are now increasingly agitating again for holding an Asian conference of nations on "Security and Cooperation in Asia" modeled on the Helsinki Conference of Security and Cooperation in Europe (CSCE). Interesting in this context is that the communist front organizations intend to hold a "Forum of the Asian Public on Actions for the Consolidation of Peace and Security", which is supposed to advertise communist perceptions. Unconfirmed information suggests that the Forum is to be organized by "social organizations" of Mongolia. The date is not available yet.

Noteworthy are the World Federation of Trade Union's (WFTU) attempts to mobilize the Asian trade union movement for the Soviet Asian policy and to step up the propagation of Moscow's demand for a conference of Asian nations among the target groups that it can access. According to information received only recently, a regional trade union meeting took place in Ulan Bator in mid-May 1987 on the topic "The Role of Trade Unions in the Struggle for Regional Cooperation, Development, Peace and Security in Asia and the Pacific Area", which was attended by representatives of 18 national federations and three international organizations. A communique published at the end of the discussions carried propaganda for a "Forum of the Asian Public for Actions to Consolidate Peace and

Security".

WFTU is in permanent and close cooperation with Soviet institutions regarding these activities. At the initiative of WFTU and the Soviet trade union federation, a group of international experts met in Moscow in May 1987 for two days in order to prepare the agenda for the trade union meeting in Ulan Bator. Participants in the consultations in Ulan Bator were WFTU and trade union representatives from Australia, India, Japan, New Zealand and the Soviet Union.

L a t i n   A m e r i c a

Activities of the Christian Peace Conference (CPC)

CPC's activities outside Europe are currently focused on expanding the basis of action of the regional organizations and in general integrating Third World countries more strongly into CPC work. The Third World has always been a primary area of infiltration for this front organization. Important to note in this context is that CPC enhances its activities in the Catholic states of Latin America and the Caribbean.

The 3rd Congress of the "CPC of Latin America and the Caribbean" (CCP-LAC) was already held in late May 1987 in Havana. It was attended by about 200 delegates from 26 countries. The purpose of the congress was to analyze developments of past years and determine the tasks of CCP-LAC in the near future. No information is available yet on the results of the discussions. Pedro SOTO (Ecuador) was elected President of CCP-LAC. Nicaragua's Minister of Culture, Padre Ernesto CARDENAL, was appointed honorary president. The great significance of the meeting and its prestige for Cuba is underlined by the fact that Carlos Rafal RODRIGUEZ, a member of the Politburo of the Cuban CP's Central Committee, attended the opening session.

Clear evidence of how intent the Soviet-controlled international front organizations and thus the Soviet Union are on mobilizing Christian circles in Latin America for the goals and positions of Soviet policy and on expanding cooperation with the religious peace movements is the recent consultative meeting held in Prague at the initiative of the journal *"Problems of Peace and Socialism"* (the CPSU's unofficial organ for control over the communist world movement) under the headline "Dialogue between Communists and Christians under the Conditions of the Current Crisis in the Region".
The event was organized by the "Commission for Problems of Latin American and Caribbean States" connected with the journal's editorial office. The following is a list of CP representatives who attended:
Jose Mario Lanao (on the CC of the Argentine CP), David Moraes (Political Commission of the Bolivian CP's CC), Antonio Grangia (Brazilian CP's CC), Orel Visiani (Chilean CP), Luis Emilio Veintimilla (CC of Ecuador's CP), Jaime Barrios (CC of El Salvador's CP), Donald Ramotar (Executive Committee of the CC of Guyana's Progressive People's Party), Randolfo Banegas (CC of Jamaican

Worker's Party), Alvaro Oviedo (CC of Columbian CP), Francisco Gamboa (Political Commission of the Costa Rican Popular Vanguard Party's CC), Antonio Diaz (Cuban CP), Felix Dixon (CC of the People's Party of Panama), Rogelio Gonzalez (Paraguayan CP's CC), Cesar Jimenez (Peruvian CP), Jeronimo Carrera (Venezuelan CP's CC), and also Dr. Hans-Günther Stieler (East Germany) and Prof. Stepan Mamontov (on the editorial staff of the journal).

III. DATES OF COMMUNIST OR COMMUNIST CONTROLLED INTERNATIONAL EVENTS

a) New or Changed Dates

Africa November 1987	African Symposium on the "Debt Problem"; organized by AAPSO
Bagdad Fall 1987	IOJ Presidium meeting
East Germany Fall 1987	International Symposium of Berlin Conference of European Catholices (BC)
Denmark 1987	International Colloquium of Berlin Conference of European Catholics
India Second Half 1988	7th AAPSO Congress
?	International Symposium on "Disastrous Results of the Arms Race"; organized by WFTU

b) Unchanged Dates

East Berlin 19 - 24 Oct 1987	10th International Conference of the TUI of Metal and Engineering Workers
Tokyo Late July 1987	Meeting of WPC Disarmament Commission (see also No 4/87)
Ulan Bator Summer of 1987	Consultative Meeting of CPs from Asia and Pacific Region (see also Nos 1 and 2/87)
New York Late Summer/ Early Fall 1987	International Conference of Lawyers on "Peace and Disarmament"; organized by Association of Soviet Lawyers and American Lawyers' Committee; (see also No 5/87)
Manila August 1987	Regional Trade Union Conference; organized by WFTU (see also No 4/87)
Poland Early Sep 1987	Meeting by representatives of peace movements of CSCE nations; organized by WPC (see also No 4/87)
Poland September 1987	Session by Executive Committee of International Organization of Miners (IOM); (see also No 5/87)
East Berlin 14 - 19 Sep 1987	10th International Vocational Conference of Trade Unions of the Metal Industry (see also No 4/87)
Harare, Zimbabwe September 1987	International Youth Conference on "Peace and Development"; organized by IUS (see also No 3/87)

Bucharest October 1987	General Assembly of WFTU
Bagdad October 1987	Administrative Committee Meeting of TUI of Workers in Commerce (see also No 3/87)
? Late Oct 1987	International Trade Union Conference on "Development and Disarmament"; organized by Dublin Committee (see also No 3/87)
Havana November 1987	IUS Congress
France Fall 1987	Seminar on "Disarmament and Social Progress"; organized by WPC (see also No 4/87)
Sofia Fall 1987	International Conference on "The Role of Nuclear Free Zones in Supporting the Development of Disarmament and Detente in Europe"; organized by WPC (see also No 4/87)
Australia Fall 1987	Mine Workers' Conference for Peace and Disarmament; organized by IOM (see also No 4/87)
Czechoslovakia Fall 1987	Working meeting by representatives of national peace committees in Europe and North America; organized by WPC (see also No 4/87)
? November 1987	Symposium on "Foreign Indebtedness"; organized by WFTU together with Organization for African Trade Union Unity (OATUU); (see also No 3/87)
New Delhi 1987	Conference of Asian and African Writers; organized by Permanent Buro of Afro-Asian Writers (AAWPB) (see also Nos 8 and 9/87)
Laos 1987	Seminar on Peace and Security in Asia and the Pacific Area; organized by WPC (see also No 4/87
Western Europe 1987	Meeting by Workers in Commerce; organized by TUI of Workers in Commerce (see also Nos 1 and 2/87)
Columbia 1987	Meeting by Peace Committees from Contadora Group Countries; organized by WPC (see also No 4/87)
? 1987	International Seminar on "70th Anniversary of October Revolution"; oranized by AAPSO; (see also Nos 1 and 2/87)
Guinea Bissau 1987	Seminar on "Disarmament and Social Progress"; organized by WPC; (see also No 4/87)
Geneva 1987	International Trade Union Meeting on "Trade Unions for Peace, Work and Development";

	organized by Dublin Committee (see also No 3/87)
? 1988	7th International Occupational Conference of the TUI of Public and Allied Employees (see also No 6/87)
Paris February 1988	World Trade Union Conference on "International Economic Security"; organized by WFTU (see also No 5/87)
East Berlin February 1988	10th International Conference of the TUI of the Building, Wood and Building Materials Industries (see also No 5/86)
Moscow September 1988	8th International Occupational Conference of the TUI of Workers in Commerce (see also No 3/87)
East Germany October 1988	Meeting by the CPC Continuation Committee (see also No 12/86)
West Germany 1988	2nd International Conference on the Participa- of Teachers in the Struggle for Peace; organized by "Teachers for Peace" (see also Nos 8 and 9/86)
North Korea 1989	World Youth Festival; organized by WFDY and IUS
? 1988	Meeting by Former NATO and Warsaw Pact Generals; organized by International Group "Generals for Peace and Disarmament"; (see also No 5/87)
? 1989	International Conference by the WFTU Commission Engineers, Executives and Technicians (see also Nos 1 and 2/87)
East Germany 1989	15th General Assembly of World Federation of Scientific Workers (WFSW) (see also Nos 8 and 9/86)
Soviet Union ?	International Conference of Muslims; organized by International Preparatory Committee; (see also No 11/86)
?	World Forum on "Responsibility of Young Scientists for Peace and Social Progress"; organized by WFSW (see also Nos 8,9/86)
?	International Conference of all Religions on "Consolidation of Peace and Security in Asia and the Pacific Region"; (see also No 10/86)

Footnotes

1) The IUS, headquartered in Prague, currently consists of 110 student organizations from 107 countries of Europe, Asia and America with a total membership of about 35 million. Highest IUS body is the Congress normally held every three years. IUS Secretary General is Georgios Michaelidis (Cyprus), President is Josef Skala (Czechoslovakia). Together with the World Federation of Democratic Youth, IUS initiates World Youth Festivals.
2) The Committee became a permanent institution at the World Trade Union Conference on the Social and Economic Aspects of Disarmament held in Paris in December 1981 at the initiative of WFTU and WPC. The Committee is tasked to coordinate trade union actions within the framework of the disarmament campaign, to increase influence on non-communist labor organizations on behalf of Soviet disarmament perceptions, and to win their cooperation. The Committee was constituted in Dublin in May 1982.
3) For AAPSO, see International Communism No 5/87
4) For WIDF, see International Communism No 4/87
5) The BC, headquartered in East Berlin, was formed in Prague in June 1964 during the 2nd All-Christian Peace Assembly of the Christian Peace Conference (CPC). It unites pro-regime church functionaries of Soviet Bloc nations and leftist-Catholic groups of Western Europe. Corresponding to the model of the CPC, which wants to win Protestant and Orthodox Christians for communist political goals, the BC is "filling a gap" in the Catholic field, where such a communist-controlled organization has not existed before.
6) Workers Conferences, held annually since 1958, were originally created in support of the campaign for recognition of the GDR. The Permanent Committee, whose geographic area of influence is reflected in its name, is of considerable significance in WFTU's Western Europe strategy. Although it is formally not controlled by WFTU but by East Germany, it was increasingly used by WFTU as a tool for implementing its own European perceptions. There are close working links between the WFTU leadership and the Permanent Committee.

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02.June 1987

Supplementary Report on International Communist Activities

TgbNr	756/87 VSV
Subject	Activities of International Soviet Controlled Front Organizations - No Ø5/87
Period Covered	Ø1 - 31 May 1987

List of Contents

I. General

No shift in the basic tendency of the activities by the international Soviet controlled front organizations could be seen in the period under review. Agitation continues to concentrate on the subject of disarmament. Some communist front organizations called upon their member organizations to undertake concrete actions in support of the joint initiative by the East German SED party, the West German SPD party and the Czech communist party for establishing a nuclear-weapons-free corridor and a chemical-weapons-free zone in Central Europe.
A major point of agitation by the World Federation of Trade Unions (WFTU) continues to be the demand for establishing a new international economic order. The WFTU likes to use this argument for starting cooperation with noncommunist trade union federations, especially in Third World countries. Its intention to hold an international trade union conference on this subject in Paris in February 1988 shows the significance the WFTU attaches to this issue.
Noteworthy are the efforts of some Soviet controlled front organizations observed of late to make use of the forthcoming 7Øth anniversary of the October Revolution for propagating the theory of Marxism-Leninism and/or widening the activities for exerting ideological influence particularly in Third World countries. The necessary coordination and synchronization of the activities planned for this priority subject are in the hands of the editors of the journal "Problems of Peace and Socialim" as the leading ideological organ of the international communist movement.

Special attention should be devoted to the efforts of the Soviet Union to incorporate the lawyers in the overall spectrum of Soviet disarmament perceptions. In this context, preparations are under way , on the initiative of the "association of Soviet lawyers" and an American committee of lawyers, for an international conference of lawyers on "peace and disarmament"to be held in New York in late summer/early fall 1987. Information is available here saying that an international bloc-bridging organization of lawyers for the prevention of a nuclear war, similar to the "International Physicians for the Prevention of Nuclear War" (IPPNW), is to be set up at this meeting. The purpose is to have an organization of lawyers as another group supporting the worldwide communist peace propaganda.

There are increasing activities of the "Organization of Miners' Trade Unions " (OIM). It has been learnt here that the OIM plans to hold a "world conference of miners for peace and disarmament" in Australia in fall 1987. This is an attempt at gaining influence also among the target group of miners and soliciting their support for the disarmament campaign of the communist controlled WFTU. The OIM energy commission will soon meet in East Germany for finding an "alternative concept of the trade unions". The OIM also wants to extend its activity in Third World countries. Particularly under the guise of an anti-South African commitment, there are efforts to establish cooperation with noncommunist trade unions in Africa. The OIM action program holds plans for a trade union conference in Zimbabwe in 1988.

II. Events and Activities

W o r l d w i d e

General Assembly of the "World League of Martyr and Peace Cities"

According to the World Peace Council (WPC), cooperation with local politicians provides a great potential and still unused possibilities within the peace and disarmament campaign. Local politicians in general enjoy a good reputation in society and thus high credibility in public as well as considerable influence on the formation of public opinion. The WPC regards the World League of Martyr and Peace Towns as an especially valuable instrument for supporting its political perceptions.

The World League of Martyr and Peace Towns held a General Assembly at the sidelines of the World Conference entitled "Cities and Peace" in Madrid in April 1987, at which it discussed future activities and updated its statutes. The WPC was represented by a delegation headed by its President, Romesh CHANDRA.

The WPC's intention to expand its activity, which has so far been limited to Europe, and supplement it by a worldwide presence, deserves special attention. For that purpose, the name of the organization was changed to "World League of Cities of Peace" at the Madrid conference. The following cities became new members of the World League: Managua, Bordeaux, Dakar, Guernica, and Colombo. The representative of Volgograd was made one of the five Vice Presidents of the World League.
The World League was established in Bastogne, Belgium, in February 1982. The following cities were present at the founding conference: Coventry, Great Britain; Volgograd, USSR; Verdun, France; Marzabotta, Italy; Kalavrita, Greece, and Wiltz, Luxembourg. The first international meeting, attended by representatives of 35 cities from Western and Eastern Europe, took place in Verdun in December 1982.
Before these activities, the WPC had for many years been trying to organize a separate international meeting of mayors and elected representatives (city councillors, local representations) and personalities of the peace movement from those cities and regions where it was planned to deploy American intermediate-range missiles or where much damage had been caused by World War II. But the WPC never succeeded because Western European local politicians had always been quite reluctant to attend.

The USSR was represented in Madrid by a delegation headed by O.Yu. IVANIZKIY, the Deputy Chairman of the Federation of Soviet Societies for Friendship and Cultural Links with Foreign Countries. On the East German delegation were Werner HERZIG, Mayor of Magdeburg, and Dr. Wolfgang SCHMAHL, Deputy Lord Mayor of East Berlin.
In this context it should be mentioned that 166 Soviet cities at present maintain links with about 400 cities in 66 nations.

International Conference on "Trade Union Struggle for the Establishment of Nuclear-Weapons-Free Zones"

On the initiative of the "International Trade Union Committee for Peace and Disarmament" (Dublin Committee) (1), a cover organization of the World Federation of Trade Unions (WFTU), an international trade union conference on "The Trade Union Struggle for the Establish ment of Nuclear-Weapons-Free Zones" took place in Sofia in early May 1987, with labor representatives from 29 Mediterranean, North and Central European, Latin American and Pacific countries as well as representatives of a number of international organizations attending. The event was organized by the Bulgarian trade union federation.
As regards the peace and disarmament campaign, the communist controll ed WFTU more and more does not officially reveal its role as organizer of events, but instead uses the Dublin Committee which cannot readily be identified as a communist cover organization.
Beyond the objective of propaganda and agitation, the purpose of the conference was to arrive at congruent views as a basis of joint actions. A special highlight of the working program adopted in Sofia will be to organize meetings between trade unions of different political orientation and with membership in different international federations in regions where favorable conditions exist for the establishment of nuclear-weapons-free zones. It is interesting to note that the WFTU does not confine its efforts for establishing nuclear-weapons-free zones to Europe, but extends them more and more to other continents. There are indications suggesting that the Bulgarian trade union federation will coordinate the activities planned for this campaign. It will organize meetings where officials of communist and noncommunist trade union centers will discuss joint actions.

Preparation of a World Trade Union Conference on "International Economic Security"

The demand for a new international economic order is still a major subject pf WFTU agitation. Particularly in Third World countries, it is used as a principal means for cooperation with noncommunist labor federations.
The significance attached to this issue by the WFTU is illustrated by the intention to hold an international trade union conference on this question. The idea came up at the 11th Trade Union Congress (East Berlin, September 1986). In early April 1987, a first preparato ry meeting for a world trade union conference on "international economic security" took place in Prague. This meeting was attended by labor representatives from Austria, Colombia, Congo, Cuba, Cyprus, Czechoslovakia, Great Britain, Ethiopia, France, Hungary, India, Ireland, Lebanon, Portugal, Syria, the U.S.A., the USSR and Yugoslavia as wellas, besides the WFTU, the "Organization for African Trade Union Unity (OATUU), the "TUI of Agricultural, Forestry and Plantation Workers" and the "International Trade Union Committee for Peace and Disarmament (Dublin Committee), a WFTU cover organizati on for coordinating the disarmament campaign activities.
Noteworthy is the presence of the Yugoslaviabor federation which had previously declined any cooperation with the WFTU.
For further preparations of this major event to be held in Paris in February 1988, a secretariat and a working group for writing the

- 06 -

conference documents were set up. Their task will be to prepare the conference without revealing too obviously from the outset who is behind this project and that it serves Soviet interests. This event will be a climax of the WFTU campaign for establishing a new international economic order.Besides agitprop, mainly a major rise in cooperation, particularly on the national level, is anticipated by the WFTU. Special agitation subjects - also during intensive conference preparations - will be
- the interrelation between disarmament and development,
- the demand for establishing a new international economic order,
- the creation of jobs and
- the elimination of hunger and malnutrition.

Preparation of an International Conference of Lawyers on "Peace and Disarmament"

Special attention should be devoted to Soviet efforts for effectively incorporating lawyers in the overall spectrum of Soviet disarmament perceptions. Essentially involved in this is the Soviet controlled "International Association of Democratic Lawyers" (IADL) (2) which has the task of gaining influence over lawyers and familiarizing this major opinion-forming group with Moscow's intentions.
In this context, it is interesting to note that, on the initiative of the "association of Soviet lawyers" and an American committee of lawyers, preparations for an international conference of lawyers on "peace and disarmament" are under way, which is to take place in New York in late summer/early fall 1987. Information available here speaks of plans for setting up, at this conference, an international bloc-bridging organization for the prevention of a nuclear war, similar to the "International Physicians for the Prevention of Nuclear War" (IPPNW). The purpose is to establish an organization for the social group of lawyers which is to support the worldwide communist peace propaganda. The conference will also be charged with defining guidelines for future activities.
The "association of Soviet lawyers" and the representatives of other Soviet bloc countries will se to it that the Soviet intentions and control impulses are realized and implemented in the new organization. The IADL will stay in the background for tactical and optical reasons.

World Conference of Miners for Peace and Disarmament
(OIM, see Nos 10/86 and 3/87)
Additional information has been received here saying that the "Organization of Miners' Trade Unions " (OIM) intends to hold the long planned "world conference of miners for peace and disarmament" in Australia in fall 1987. This means that attempts are being made also with respect to the target group of miners to gain influence for making propaganda for the communist controlled WFTU.
With this event, the OIM continues the "international conferences of miners for peace and disarmament" held in Newcastle, Great Britain, in 1981 and Moscow in 1984. The preparation and holding of the world conference in Australia will probably be in the hands of the "commission of miners for peace and disarmament", whichemerged as a permanent institution from the Newcastle conference. The decision to hold this conference was made on the sidelines of the "world parliament of the peoples for peace"held in Sofia in 1980 on the initiative of the World Peace Council (WPC).

The OIM energy commission will soon convene in East Germany for working out an "alternative concept of the trade unions" for the energy sector. At a session of the OIM executive committeeplanned to be held in Poland in September 1987, the main directions of future activities and the draft of the 1988 action program are to be defined and prepared. It should be mentioned in this context that the "TUI of Miners" which stopped its work when the OIM was set up had its seat in Warsaw.
The OIM will widen its activity also in Third World countries. Particularly under the guise of an anti-South African commitment, cooperation with noncommunist trade unions in Africa is planned. Information available here indicates that the OIM intends to hold a conference of miners in Zimbabwe in 1988, which is to discuss the situation of South African miners in particular.Beyond making propaganda, the conference is to be used by the OIM for extending its influence in Africa and for familiarizing the participating national trade union organizationswhich are no OIM members with the OIM working methods.
The OIM action program also provides for solidarity actions with Chile and Nicaragua.

Preparation of a "Conference of Asian and African Writers"

A special priority of the activities by the "Afro-Asian Writers' Permanent Bureau" (AAWPB) is currently the preparation of a "conference of Asian and African writers" to be held in New Delhi still in 1987.
It has been learnt here that a joint session of the AAWPB secretariat and the preparatory committee took place in Damascus, Syria, in mid-May 1987. The discussion focused on the further conference preparation and particularly on working out a long-term action program. Special subjects of agitation, also in connection with the conference preparations, will be
- the struggle of writers against imperialism and zionsism,
- the prevention of a nuclear catastrophe and
- the elimination of exploitation of man by man.
Formed on the initiative of the Soviet controlled "Afro-Asian Peoples Solidarity Organization" (AAPSO) at the first Afro-Asian writers' conference in Tashkent, USSR, in 1958, the AAWPB is a regional influence-exerting organization with clear emphasis on the Middle East. By setting up this organization, the Soviets succeeded in creating a comprehensive, broad-based merger of Afro-Asian writers. The almost complete synchronization and linkage of objectives and activities between the AAWPB and AAPSO leaves the AAWPB little latitude for developing and propagating its own aims.
It is worth noting that a Soviet delegation took part in the Damascus discussions. As an "Asian" power, the USSR is an AAWPB member.

International Seminar on "The October Revolution and the Peoples of theEast"

Special attention is drawn to the efforts of some Soviet controlled international front organizations and the USSR to use the forthcoming 70th anniversray of the October revolution for propagating the Marxist-Leninist theory and widening ideological activity, mainly in Third World countries. Coordination and synchronization of the activities planned in connection with this priority subject are hand-

led by the editorial staff of the journal "Problems of Peace and Socialism", the leading ideological organ of the international communist movement.
It has been learnt only now that, on the initiative of the "Afro-Asian Peoples Solidarity Organization" (AAPSO) (3), an international seminar on "the October Revolution and the Peoples of the East" took place in Damascus in late April 1987, attended by representatives from 45 countries, such as Angola, India, the FR Germany, Finland, Cuba, Bahrain, Cyprus, Egypt, Congo, East Germany, the USSR, Syria, Bangladesh and Afghanistan. The purpose of the meeting was to exchange information on ideological and propaganda activities as part of the further preparations for the 70th anniversary of the October Revolution. Nothing is known about the outcome of the discussions.
Being the only Soviet controlled front organization exclusively working in Third World countries, the AAPSO still plays a leading part among Moscow's influence-generating organizations. It capitalizes specifically on all open or latent anti-Western resentments in Third World countries and functions there as an effective instrument of agitation. As with all Soviet controlled front organizations, the AAPSO activities are controlled through the Soviet member organization by the International Department of the CPSU Central Committee.
The significance Moscow attached to the seminar was underscored by the participation of a Soviet delegation headed by F.A. Tabayev, a member of the CPSU CC and deputy chairman of the Soviet Afro-Asian solidarity committee. The East German representative was Achim Reichhardt, secretary general of the solidarity committee.

International Trade Union Conference

On the initiative of the central council of the Soviet trade unions, an international trade union conference on "70 years of October and the trade union movement now" took place in Moscow on 03/04 May 1987, with labor representatives from 122 countries attending.
Discussions focused in the following subjects:
- "The lessons of October and the tasks of trade unions in the struggle for a nuclear-weapons-free world",
- "A world without war and weapons until the end of the century",
- "Trade unions against monopolies",
- "The special features in the struggle of Third World trade unions for the socio-economic rights of the workers",
- "The idea of October and the trade union movement of the socialist countries".

Following the plenary session, the discussions went on in three sections and in the form of round-table talks on the following subjects:
- "The experience of October and development problems". The discussions chaired by M.V. Baglay, deputy rector at the trade union college, were attended by 80 trade unionists from 27 countries.
- "The working class, the trade unions and the problems of the antimonopolist struggle". The discussions chaired by A.I. Belchik, deputy director of the institute for international labor movement of the Soviet Academy of Sciences, were attended by 80 trade unionists from 26 countries.
- "The trade unions and the fate of the world in the nuclear age". The discussions chaired by G.N. Tsagolov, a lecturer at the academy for sociology with the CPSU CC, were attended by 90 trade

unionists from 29 countries.
The round-table talks discussing the subject of "the trade unions at the threshold of the 21st century"involved labor activists form 19 countries. Nothing is known yet about the outcome of the discussions.

Beyond making propaganda, this event was intended by the Soviet trade union federation for specifically contacting noncommunist trade unionistsand mobilizing them for the propaganda highlights of the current Soviet policy.

Fourth Meeting of Retired NATO and WP Generals

On the initiative of the international group of "Generals for Peace and Disarmament", the fourth meeting of this group with retired generals from WP countries took place in Vienna from 04 to 07 May 1987 under the motto of "new military thinking in the nuclear age". At plenary meetings and in commissions, the following were among the subjects discussed:
- Global, regional and national security,
- Effective steps toward the reduction of nuclear arms in Europe,
- Consolidation of confidence-building measures as part of the CSCE Final Act.

A winding-up document presented the future aims and tasks of the international group of "Generals for Peace and Disarmament". It is interesting to note that an item of "alternative policy of global security" is on the agenda of a meeting possibly planned on a grander scale with generals from WP countries in 1988.
The USSR was represented in Vienna by a delegation of the group of "Soviet retired generals and admirals for peace and disarmament", which was set up as recently as December 1986 on the initiative of the "Soviet peace committee". Some members of the Soviet group had for some time been in contact with the international group of "Generals for Peace and Disarmament". An organizational merger is to facilitate stronger links and new contacts.
Attention is also drawn to a Soviet-American conference which was held in Washington in late April 1987 on problems of averting a nuclear catastrophe and questions of disarmament and liquidation of the nuclear weapons. It was attended by a delegation of the "Soviet retired generals and admirals for peace and disarmament" and the Soviet committee of war veterans headed by retired Lt Gen Mikhail Milstein. The event was organized by the private "center for defense information" (CDI) which takes a critical view of the American administration's present defense concept. CDI director is retired Rear Admiral Gene Laroque.
The international group of "Generals for Peace and Disarmament" emerged as a permanent institution from the "world parliament of peoples for peace" staged in Sofia, Bulgaria, in September 1980 on the initiative of the World Peace Council (WPC). It is no communist front organization, but is clearly a front-of-front organization (which is documented by personnel interconnections) and its positions are in line with the WPC argumentation. Four of its members - Marshal Costa Gomes (Portugal), General Georghios Koumanakos (Greece) General Nino Pasti (Italy) and Admiral Antoine Sanguinetti (France) - are WPC members and consequently support the action program of this organization.

Tenth Congress of the International Federation of Resistance Movements (FIR)(4)

From 11 to 14 May 1987, the 10th Congress of FIR which is subject to Soviet patronage took place in Athens, with some 200 representatives of 68 organizations from 25 countries attending. The congress had the purpose of analyzing the development since the previous congress (East Berlin, September 1982) and defining the FIR tasks for the near future. No information is available yet on the results of the adopted action program in particular.
Youth work will remain a primary concern of the FIR which has too many old people among its members. The action program prepared by the congres provides, with respect to the target group of young people, mainly for an extension and intensification of the work by the national member organizations. It is planned to continue orgnaizing meetings with yound people and familiarizing the young generation and its teachers more closely with the FIR activity.
The congress wound up with the election of the leading personalities. Arialdo Banfi (Italy) and Alix Lhote (France) were reelected as President and Secretary General of the FIR.
The Soviet delegation was headed by Col Gen A.S. Zheltov, chairman of the Soviet committee of war veterans. East Germany was repesented by a delegation headed by Otto Funke, chairman of the central board of the committee of antifascist resistance fighters of East Germany. Funke was reelected as FIR Vice President.
As part of the peace and disarmament campaign of the soviet controlled front organizations, FIR is asked to widen cooperation with noncommunist international organizations of war veterans and victims, mainly with the "European Confederation of War Veterans" (CEAC), the "International Confederation of Former Prisoners of War" (CIAPG) and the "World Federation of War Veterans" (FMAC).

A f r i c a

First "Congress of African Scientists"
It has come to our attention that a first "congress of African scientists" will take place in Brazzaville from 25 to 30 June 1986, with the World Peace Council (WPC) involved in the preparations. This event is the first attempt in Africa to mobilize scientists for joint objectioves and activities. The agenda items have not become known yet. The preparation of the congress is in the hands of a national preparatory committee.
Participation of the Soviet controlled "World Federation of Scientific Workers" (WFSW) in the preparatory work has not been diagnosed yet. It can be assumed, however, thata preparatory committee with a neutral appearance has been charged with the preparatory work in keeping with the frequent custom of the international Soviet controlled front organizations of not coming to the fore as organizers.
A special highlight of the 1987 WFSW action program is to widen activities in Third World countries. A clear indication of this is the rising number of events and actions. Another important aspect of WFSW activities in this context is the widening of contacts with Third World organizations and scientists. For supporting this work, special working groups dealing with problems of the developing countries have been set up in the permanent WFSW committees.
A major role in the overall WFSW system is played by the WFSW regional center in Algiers with responsibility for Africa. It sees its main task in coordinating actions, disseminating information and encouraging a dialogue between the scientific organizations.

(1) The committee emerged as a permanent institution from the "world trade union conference on the social and economic aspects of disarmament" held in Paris in December 1981 on the initiative of the WFTU and the WPC. The committe is tasked with coordinating the actions of the trade unions within the disarmament campaign as well as increasing its influence on nonncommunist trade union organizations for putting the the Soviet disarmament perceptions across and inducing them to cooperate. The constituting meeting of the committee took place in Dublin in May 1982.

(2) In view of its aims and tasks as well as the personnel makeup of its leading bodies, the IADL with seat in Brussels is to beseen as a classic international communist organization. Because of its large professional specialization, the IADL is mainly used for providing advice to the other international communist organizations. Its main task is to shape a more effective strategy of the international communist organizations by looking into current problems, situations and incidents as well as general legal questions and by providing legal advisers and defense counsel in court trials. But actual or alleged legal violations are denounced only if they have been committed by opponents of the Soviet Union or affect Soviet interests.

(3)Set up in late 1957 with commanding influence of the World Peace Council (WPC) and participation of the Chinese, the AAPSO with seat in Cairo has the task of coordinating the "struggle of the African and Asian peoples against imperialism". With its formation, the Soviets succeeeded in merging all national-revolutionary organizations in Africa and Asia on a comprehensive and broad basis. The AAPSO today serves as a WPC regional organization, since the WPC has failed, after long years of efforts, to set up its own regional movement in Africa. The Chinese stopped cooperation in the AAPSO as far back as the mid-1960s.

(4) In view of its aims and tasks as well as the personnel makeup of its leading bodies, the FIR founded in 1951 is to be seen as a classic communist front organization. Headquartered in Vienna, it currently numbers as members some 70 organizations from 27 European countries and Israel.
Dates of Communist or Communist Controlled International Events

a. New or Changed Dates

Kabul 6/7 Jun 87	International conference of journalists
Amsterdam 12-14 Jun 87	Meeting of the Europe commision of the World Peace Council (WPC)
Brazzaville 25-30 Jun 87	First congress of African scientists (see this report)
East Germany First half of 87	Meeting of the energy commision of the Organization of Miners' Trade Unions (OIM) (see this report)

New York Late summer/ early fall 87	International conference of lawyer on "peace and disarmament" organized by "association of Soviet lawyers" and American committe of lawyers (see this report)
Poland Sep 87	Session of the executive committee of OIM (see this report)
Bucharest Oct 87	General Council meeting of World Federation of Trade Unions (WFTU)
Australia Fall 87	World conference of miners forpeace and disarmament organized by OIM (see this report)
New Delhi 1987	Conference of Asianand African writers organized by Afro-Asian Writers' Permanent Bureau (AAWPB) (see this report)
Paris February 1988	World trade union conference on "international economic security" organized by WFTU (see this report)
? 1988	Meeting of retired NATO and WP generals organized by international group of "Generals for Peace and Disarmanent" (see this report)

b. Unchanged Events

Leningrad 08-12 jun 87	Workers' Conference of the Baltic Countries, Norway and Iceland (see Nos 1 and 2/87)
East Berlin 19-24 Oct 87	Tenth International Conference of TUI of Workersin the Metal and Machine Building Industries
East Germany First half 87	Session of the presidial committee for disarmament of the Afro-Asian Peoples' Soliarity Organization (AAPSO) (see Nos 1 and 2/87)
Probably Switzerland First half 87	International meeting on "SDI -Pros and Cons?" organized by WPC (see No 4/87)
Kabul First half 87	Session of AAPSO Presidium (see Nos 1 and 2/87)
East Germany Oct 88	Meeting of the continuation committee of the Christian Peace Conference (CPC) see No 12/87)
Moscow 23-25 Jun 87	World congress of women organized by Women's International Democratic Federation (WIDF)
Moscow 28/29 June 87	Ninth Congress of WIDF (see No 4/87)
Antannariva, Madagascar Jun 87	International conference on "Indian Ocean - Zone of Peace" organized by WPC (see No 4/87)

- 13 -

Tokyo Late Jul 87	Meeting of the WPC disarmament commission (see No 4/87)
Ulan Bator Summer 87	Consultative meeting of communist parties of Asia and Pacific area (see Nos 1 and 2/87)
Manila Aug 87	Regional trade union conference organized by WFTU (see No 4/87)
Poland Early Sep 87	Meeting of representatives of peace movements from CSCE countries organized by WPC (see 4/87)
East Berlin 14-19 Sep 87	Tenth International Conference of trade unions of metal industry (see No 4/87)
Harare, Zimbabwe Sep 87	International youth conference on "peace and development" organized by International Union of Students (IUS) (see No 3/87)
Baghdad Oct 87	Session of the administrative committee of the TUI of Workers in Commerce (see No 3/87)
? Late Oct 87	International trade union conference on "development and disarmament" organized by Dublin Committee (see No 3/87)
Havana Nov 87	IUS Congress
France Fall 87	Seminar on "disarmament and social progress" organized by WPC (see No 4/87)
Sofia Fall 87	International Conference on "the role of nuclear-weapons-free zones in promoting the process of disarmemanet and detente in Europe" organized by WPC (see No 4/87)
Czechoslovakia Fall 87	Working meeting of representatives of European and North American peace committees organized by WPC (see No 4/87)
? November 1987	Symposium on "foreign debts" organized by WFTU together with Organization of African Trade Union Unity (OATUU) (see No 3/87)
New Delhi 1987	Conference of Asian and African writers organized by Afro-Asian Writers' Permanent Bureau (AAWPB) (see also Nos 8 and 9/86)
Laos 1987	Seminar on peace and security in Asia and the Pacific area organized by WPC (see No 4/87)
Havana 1987	General asembly of the Christian Peace Conference (CPC) for Latin America and the Caribbean (see Nos 1 and 2/87)
Algeria	International seminar on "establishment of a

1987	new international economic order" organized by WPC (see No 4/87)
Western Europe 1987	Meeting of workers in commerce organized by TUI of Workers in Commerce (see Nos 1 and 2/87)
Colombia 1987	Meeting of peace committees of Contadora group countries organized by WPC (see No 4/87)
? 1987	International seminar on "70th anniversary of the October Revolution" organized by AAPSO (see Nos 1 and 2/87)
Guinea-Bissau 1987	Seminar on "disarmanent and social progress" organized by WPC (see No 4/87)
Geneva 1987	International trade union meeting on "trade unions for peace, work and development" organized by Dublin Committee (see No 3/87)
? 1988	Seventh International Conference of Public and Allied Employees (see No 6/86)
East Berlin Feb 1988	Tenth International Conference of Workers in Building, Wood and Building Materials Industry (see No 5/86)
Moscow Sep 1988	Eighth International Conference of TUI of Workers in Commerce (see No 3/87)
FR Germany 1988	Second International Conference on participation of teachers in peace struggle organized by "teachers for peace" (see Nos 8 and 9/86)
North Kora 1989	World Youth Festival organized by World Federation of Democratic Youth (WFDY) and IUS
? 1989	International conference of WFTU for graduate engineers, managers and technicians (see Nos 1 and 2/87)
East Germany 1989	Fifteenth General Assembly of World Federation of Scientific Workers (WFSW) (see Nos 8-9/87)
Soviet Union ?	International conference of Muslims organized by International Preparatory Committee (see No 11/86)
?	World Forum on "responsibility of young scientists for peace and social progress" organized by WFSW (see Nos 8 and9/87)
?	International conference of all religions on "consolidation of peace and security in Asia and Pacific area (see No 10/86)

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04 April 1987

Supplementary Report on Interntaional Communist Activities

TgbNr 564/87 VSV

Subject: Activities of International Communist-Controlled Front Organizations / No 04/87

Period Covered: 01 - 30 April 1987

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V S - NUR FUER DEN DIENSTGEBRAUCH

Contents

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I. General

In the period under review, no change could be seen in the action program of the international Soviet-controlled front organizations. They engaged in lively activities in their wooing of Third World countries.
A number of events served to update the working and action programs in keeping with the development of the political situation and for the purpose of adapting them to new demands from Moscow.
A special priority of the West European strategy of the World Federation of Trade Unions (WFTU) continues to be its efforts for unity of action with West European labor federations. For achieving this goal, the WFTU agitation focuses on subjects where it anticipates to be in unison with West European labor federations. In this context, a meeting took place in Moscow on "trade unions and environmental protection". The program adopted there provides for improved coordination of actions and joint activities for environmental protection. Special attention is drawn to the fact that an "international working group" was set up as a permanent institution for putting into practice the results of the deliberations. This new organization will focus its activities particularly on improving bilateral and regional cooperation between noncommunist trade unions and labor federations of the Sovite bloc countries in environmental protection.
Of major significance are the efforts of the WFTU for widening its activities in Asiaand thereby boosting its political influence in this region. The WFTU continues to be intent on mobilizing the trade unions of the region for and involving them more strongly in the communist disarmament and peace campaign. On the initiative of the "coordinating committee of the Asian and Oceanian trade unions", a WFTU front-of-front organization, a regional trade union conference will be held in Manila, Phlippines, in August 1987 for the first time, where future activities will be coordinated and the noncommunist participnats informed about the political positions and projects of the WFTU.The Manila trade union conference must also be seen against the background of WFTU plans to establish a WFTU controlled regional organization in Asia for reducing the influence of the Western oriented International Confederation of Free Trade Unions and the World Confederation of Labor.
The Bureau meeting of the Women's International Democratic Federation (WIDF) wound up, on the international level, the actual preparation work for the "world congress of women" to be held in Moscow in June 1987 on theinitiative of the WIDF and the Soviet control and propaganda apparat behind it. Besides making propaganda, this manipulated public-relations show will have the task of winning the noncommunist participants for a Soviet "peace perception". The congress preparations are designed to attract a national and international audience of all possible political denominations while safeguarding the largest possible political and organizational influence.
A major concern of the World Federation of Democratic Youth (WFDY) in Western Europe continues to be efforts for broadening the disarmament campaign and/or involving Western Europe's non-

communist youth organizations more effectively in the overall spectrum of Soviet disarmament perceptions.In this context, there is increasing propaganda for a "campaign for establishing a nuclear-weapons-free corridor and a chemical-weapons-free zone in Central Europe", as proposed by the East German SED party and the West German SPD party.

II. Events and Activities

Worldwide

Bureau Meeting of the World Federation of Trade Unions (WFTU)

The discussions at the WFTU Bureau meetings held in Warsaw in late March 1987 focused on reviewing and analyzing the WFTU work since the 11th World Trade Union Congress (East Berlin, September 1986) and on defining the principal guidelines for future activities until 1990.
The WFTU's chief concern continues to be unity of action with noncommunist trade union federations. Particularly by drawing attention to subjects such as disarmament, women and youth work, multinational companies, social security, new technologies, etc. the WFTU tries to raise the standard of trade union cooperation and/or develop a strategy aiming at unity of action between communist controlled trade unions and noncommunist labor organizations. A major argument in this strategy is the specific and comprehensive "popularization" of the successes of the socialist countries as an alternative to the situation in the noncommunist countries.
Of interest is the resolution of the Bureau to stage an international trade union conference still in 1987 as part of the "international campaign against poverty, hunger, unemployment and foreign debts". Site and date are not known yet.
Special attention should be devoted also to the WFTU efforts seen for some months now to establish, besides WFTU expert commissions, permanet institutions in the form of "neutral" international trade union commissions and centers, which cannot be identified as WFTU influenced or controlled initiatives. The WFTU Bureau decided to set up an "international trade union center for the defense of trade union rights", where trade unions of different political orientatitions will be represented. The task of this new organ will be to bring noncommunist trade unions to subscribe to this idea and thus to promote cooperation with them, to organize an exchange of experience and to register worldwide trade union actions and violations of ILO agreements. In this context, it is also noteworthy that the WFTU is making preparations for setting up an "international trade union commission for coordinating the trade union policy against the transnational companies". By establishing such permanent institutions, the WFTU hopes to find an answer to the development of trade union relations on the international level, which it finds unsatisfactory.

Preparations for the "World Congress of Women" in Moscow

The Bureau meeting of the Women's International Democratic Federation (WIDF)* in East Berlin in late March 1987wound up, on the internatio nallevel, the actual preparation work for the world congress which will take place in Moscow from 23 to 27 June 1987 on the initiative of the WIDF and the Soviet control and propaganda apparat behind it. The final phase of congress preparations will be characterized mainly by stepped-up activities of the WIDF and/or its member organizations at national level.
It is revealing that the WIDF has so far organized, with a major amount of money, some 30 seminars and consultative meetings as part of the preparation work. Consultative meetings were held, for instance, in Barcelona, Beirut, Athens, Sofia, Helsinki, Sydney and Geneva in 1986. Regional seminars for Latin America were held in Managua, for Asia in Tashkent, for the Pacific region in Australia and for Europe, the U.S.A. and Canada in Sheffield. An "international peace school" was also held in preparation of the congress.
Particularly close cooperation for congress preparation is practiced with other Soviet controlled front organizations, such as the World Federation of Trade Unions (WFTU), the World Peace Council (WPC), the Afro-Asian People's Solidarity Organization (AAPSO), etc.
Together with the Christian Peace Conference (CPC), the WIDF organized an international meeting on the subject of "religious womenfor peace" in Prague in 1986.
What has been learnt about the congress proceedings is that the relevant aspects of the arms race will be discussed by commissions and in thematic centers. The commissions will discuss the following subjects:
- Peace and disarmament,
- National independence, sovereignty and territorial integrity,
- Development, equal rights for women,
- Problems of working women in rural and urban areas,
- Peace education,
- Role of the mass media,
- Cooperation.

The thematic centers will hold hearings on
- violations of women's rights,
- problems of women living under the conditions of foreign occupation, aggression, dictotorial regimes and apartheid,
- discrimination of women in industrialized countries.

For the first time at a world congress, there will be a thematic center under the motto of "women and socialism". The centers will probably also discuss specific topics, for instance, the situation of young women, the influence of the new technologieson the situation of women and environmental protection.
Besides making propaganda, this manipulated public-relations show

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* Objectives and tasks as well as personnel makeup of its executive bodies make the WIDF founded in 1945 a classic communist front organization. Its headquarters established in Paris after its formation had to be vacated after the French government had banned any activity in January 1951. The WIDF is made up of 136 national organizations from 118 countries.
The WIDF member organizations are controlled directly from the

East Berlin headquarters without any regional bodies inbetween.
To this basic setup are added special organizations and commissions.
will have the purpose of winning the noncommunist participants
for Soviet "peace perception". The congress preparations are
designed to attract a national and international audience of all
possible political denominations while safeguarding the largest
possible political and organizational influence of the initiators.
WIDF President Freda BROWN (Australia) said that "it was the
main purpose of the congress to involve representatives of
various religions and creeds in the anti-war movement".
The 9th WIDF Congress will take place also in Moscow on 28/29 June
1987 immediately after the world congress. By cleverly combining
the world congress with the WIDF congress in terms of time and
subjects, the WIDF hopes to broaden its influence and inform
the represented women's organizations which are not yet WIDF
members of the WIDF congress resolutions and working methods.

Activities of the World Federation of Scientific Workers (WFSW)*

As has been learnt only now, an international symposium on "science,
technology and development" was held in New Delhi in mid-March 1987
on the initiative of the communist influenced WFSW with some 500
participants from 45 countries. The rather neutral formulation of the
discussion subject was chosen by the WFSW for the purpose of
winning the largest possible number of noncommunist organizations
and individuals for participation and laying the foundations
for forms of stepped-up cooperation. No information is available
yet on what the actual decisions were.
Besides regional priorities, the subjects of "new international
economic order", "policy of multinational companies", "social
implications of the arms race" and "new information order"
were addressed mainly.
The meeting had the purpose of involving the Third World scientists
more strongly in future in the worldwide WFSW activities.
A convergence of views on subjects without any apparent political
and ideological implicationis to prepare the ground for the
realization of the ultimately solely politically motivated long-
term objectives which the WFSW seeks to accomplish in Third World
countries.

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* The WFSW with headquarters in London was formed in 1946. Regional
centers are currently in East Berlin, New Delhi and Algiers. Today,
the WFSW has 50 member organizations with some 700,000 members
from 37 countries as well as corresponding members in another 17
countries.
The highest organ of the WFSW is the General Assembly held every
third year. Other major organs are the Executive Council and the
Bureau as well as the permanent disarmament, socio-economic
and politico-scientific committees. The WFSW work is done, for
instance, at international symposiums and conferences.

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Highlights of the Action Program of the World Peace Council (WPC)

For the WPC, its chief task is to support the interests of the USSR in foreign and security policies. The subjects of the 1987 WPC action program cover the gamut of the current soviet propaganda priorities and give an almost complete overview over Moscow's current foreign-policy objectives.
In 1987, too, the WPC activities are focused on broadening contacts with noncommunist peace movements and widening the basis of agitation. The WPC continues to attach extraordinary significance to national and international cooperation with the most diverse national and international occupational peace initiatives and organizations.
The following international events are planned by the WPC for the rest of 1987:

Disarmament

(Tokyo) Late July 1987	Meeting of the WPC disarmament commission
(Probably in Switzerland) First half of 1987	International conference on "SDI - Pros? - Cons?"

Development

(Algeria) 1987	International seminar on "establishment of a new international economic order"
(France) Fall 1987	Seminar on "disarmament and social progress"
(Guinea-Bissau) 1987	Seminar on "disarmament and development"

Europe

(Poland) Early Sep 87	Meeting of representatives of peace movements of the CSCE countries
(Sofia) Fall 1987	International conference on "the role of nuclear-weapons-free zones in promoting the process of disarmament and detente in Europe"
(Czechoslovakia) Fall 1987	Working meeting of representatives of European and North American peace committees
(Probably Netherlands) 1987	Meeting of the WPC commission on Europe

Asia

(Laos) 1987	Seminar on Peace and Security in Asia and the Pacific Area

(Antananarivo/ Madagascar) June 1987	International conference on "Indian Ocean - Zone of Peace"

Latin America

(Guayaquil/ Ecuador) 20-22 May 87	Conference of Latin American peace movements
(Colombia) 1987	Meeting of the peace committees of the Contadora countries
(Quito/ Ecuador) 24/25 May 87	Meeting of the WPC human-rights commission

The WPC action programs are prepared at fall meetings for the next year. The subjects are almost unchanged every year. They reflect the worldwide fields of interest of the WPC activities. The new "1987 action program" is generally characterized by a wording with less appeals and emotions and by a differentiated target group orientation with less emphasis on mass mobilization and more priority on organizational details and impact on major opinion formers.

Meeting of the Administrative Committee of the TUI of Metal Workers

A meeting of the administrative committee of the Trade Union International of Metal Workers (TUI*)was held in Moscow from 01 to 03 April 1987 involving trade union representatives from some 20 countries. The discussions focused on questions of broadening the TUI activity, an analysis of the metal workers' current situation and organizational problems. Another central topic were the TUI activities in preparation of the "10th international occupational conference of the trade unions of the metal industry" planned to be held in East Berlin from 14 to 19 September 1987. Nothing is known yet about the concrete results of the discussions.
The TUI activities continue to concentrate on efforts for so-called "unity of action" with noncommunist metal workers' trade unions. Special emphasis is placed on cooperation with hrade unions at national level. To this end, the TUI has liaison and regional coordination committees on every continent and in every region of the world, which have the task of establishing permanent contacts between TUI member organizations and labor federations with different political orientation.

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* The TUI currently has 23 members in 46 countries, which form some 60 organizations. Moscow has been its headquarters since 1978. TUI President is Reinhard Sommer (East Germany), on the presidium of the East German FDGB labor federation board and chairman of the central board of the East German metal workers' trade union.

The TUI has the intention of further developing the current activities as part of the peace and disarmament campaign of the WorldFederation of Trade Unions. For making sure of continuous and coordinated cooperation of the metal workers' trade unions within this campaign, the TUI has set up a "working group for the problems of peace and disarmament".
The meeting of the administrative committee was followed, also in Moscow, by two-day discussions of the TUI European member organization where questions of more influence on the West European trade union movement were tabled. Intensified bilateral relations are to be the main tool for removing opposition of the noncommunist metal workers' unions against unity of action, particularly as part of the WFTU disarmament campaign.
Control and coordination of TUI activities in Europe are handled by a branch office in Paris.
A first meeting of this type was held in Moscow in early 1986.

Activities of the Christian Peace Conference (CPC)

In early April 1987, the CPC working committee met in Arnoldsheim, FR Germany, for defining the guidelines of future activities, mainly within the communist peace and disarmament campaign. Nothing is known yet about the concrete results of the discussions.

E u r o p e

International Meeting on the Subject of "Trade Unions and Environmental Protection"

The West European strategy of the World Federation of Trade Unions (WFTU) continues to focus on efforts for unity of action with West European labor federations. To this end, WFTU agitation emphasizes subjects where large consensus with West European labor federations is anticipated.
In this context, an international meeting on the subject of "trade unions and environmental protection" - which has become known just now - took place in Moscow in late March 1987 on the initiative of the Soviet labor federation and the WFTU commission on Europe. Some 60 labor representatives from 21 European countries took part. The communist organizers chose politically rather neutral topics of discussionin an attempt at attracting the largest possible number of noncommunist labor representattives to the meeting and not jeopardizing it because of different opinions on other major subjects.
After a ten-year hiatus, this meeting has been a new attempt at mobilizing West European labor federations for activities within the WFTU environmental protection campaign. Earlier efforts failed because of a lack of interest on the part of potential Western participants.
The adopted working program provides for better coordination of actions and joint activity in environmental protection.
It is especially noteworthy that the participants agreed to form a permanent institution in the form of an "international working group". This new organ will focus its work particularly on broadening bilateral and regional cooperation between non-communist labor federations and Soviet bloc trade unions in

the field of environmental protection.
By way of a convergence of views on politically and ideologically neutral questions, the ground is to be prepared for accomplishing the ultimately solely politically motivated long-term WFTU goals, most of all as to the inention pursued for years of convening an "all-European Trade union conference" involving national labor federations belonging to the Western oriented International Confederation of Free trade Unions and the World Confederation of Labor.

Activities of the World Federation of Democratic Youth (WFDY)

A major concern of the WFDY in Western European continues to be the expansion of the disarmament campaign and/or closer involvement of the noncommunist West European youth organizations in the total spectrum of Soviet disarmament perceptions. As part of these activities, propaganda has been stepped up more and more for a campaign to "establish an nuclear-weapons-free corridor and a chemical-weapons-free zone in Central Europe" as proposed by the SED and SPD.
As far as we know, the roughly 100 representatives of national, regional and inernational organizations from 21 countries, who attended the 4th consultative meeting of All-European Youth and Student Cooperation (AEYSC), endorsed the proposal of the WFDY and the International Union of Socialist Youth (IUSY)to organize, on the basis of the initiative by the East German Free German Youth (FDJ) organization and the West German young socialists organization for establishing a nuclear-weapons-free corridor and a chemical-weapons-free zone in Central Europe, respective events in East and West Germany. Nothing is known yet about the planned events.
The WFDY and the International Union of Students (IUS)hope to broaden their basis of action in Western Europe especailly by intensifying the AEYSC activities. It has been learnt here that the 1987 AEYSC action program provides, for instance, for the holding of two seminars on the subject of "concrete proposals for disarmament in Europe". The 5th AEYSC consultative meeting will take place in March 1988. Since the 1st consultative meeting in Budapest in 1980, some 30 youth and student organizations of different political orientation from signatory countries of the Helsinki CSCE Final Act have joined the AEYSC. The Soviet bloc countries are represented by their WFDY and IUS member organizations.

A s i a

Activities of the World Federation of Trade Unions (WFTU) in Asia

According to unconfirmed information, a regional trade union conference will take place in Manila in August 1987 on the initiative of the "coordination committee of the Asian and Oceanian Trade Unions". The purpose of the conference will be to coordinate future activities and inform the noncommunist participants about the political positions and projects of the WFTU. Nothing is known yet about the precise date and agenda of the meeting.
This shows the efforts of the WFTU to broaden its activity in Asia and widen its political influence in the region. A major concern of the WFTU continues to be the mobilization of Asian trade unions

and/or their integration into the disarmament and peace campaign of the Soviet controlled front organizations.
The WFTU's major instrument of agitation and influence in Asia is the "coordination committee of Asian and Oceanian trade unions" which emerged as a permanent institution from the "conference of Asian and Oceanian trade unions" held in New Delhi in February 1985 on the initiative of the WFTU. The coordination committee with headquarters in New Delhi has nine members. President is Jim Knox, chairman of the New Zealand Federation of Labor (NZFOL), secretary is Krishna Gopa Sriwastava, vice president of the All-Indian Trade Union Council (AITUC). Knox is also the chairman of the South Pacific trade union forum made up of representatives from Australia, New Zealnd, Japan, Fiji, Papua-New Guinea and Kiribati, among others.

The trade union conference planned to be held in Manila must also be seen against the background of WFTU efforts for establishing a WFTU controlled regional organization in Asia and checking the influence of the International Confederation of Free Trade Unions and the World Confederation of Labor in this area. Earlier efforts by the WFTU to win a major number of national trade union federations as direct members or establish a regional organization failed mainly because of the the Sino-Soviet conflict and/or the refusal of some Asian labor organizations to isolate China also at trade union level.
It is interesting to note in this context that the Chinese trade union federation increasingly sees active involvement in the international trade union movement as a key task. In the wake of the Sino-Soviet controversies in the mid-1960s, the Chinese withdrew from the Soviet controlled WFTU. Attempts by the Chinese to establish an Afro-Asian trade union organization to counterbalance the WFTU have thus far failed. There are currently Chinese contacts with trade unions in 120 countries. This also includes the newly established official relations with East German, Soviet, Hungarian, Bulgarian and Czech trade unions.
Noteworthy is also the rising attractiveness of Manila as conference site for international Soviet controlled front organizations.

L a t i n A m e r i c a

Activities of the Permanent Congress for Trade Union Unity of Latin American Workers (CPUSTAL)

Since the disbanding of the Confederacion de Trabajadores de America Latina (CTAL), the WFTU has been trying to apply pressure to the formation of a new Latin American labor federation. As far back as 1964, a "congress of trade union unity" took place in Brasilia where a new federation was to be formed. This was defeated by the lack of response from the Latin American trade unions so that only CPUSTAL could be set up.
At present, 26 national trade union federations from 22 Latin American and Caribbean countries with altogether 20 million members make up CPUSTAL. Executive organs of CPUSTAL are the General Council where all member organizations are representedand which meets in two years intervals according to the statutes, the Bureau with representatives from 12 member organizations, which usually convenes once a year, and the Executive Secretariat with seven

members, which has been headquartered in Mexico City since 1978. CPUSTAL activity is supported by subregional organs, such as the Committee for Trade Union Unity of Central America and Panama (CUSCA) with headquarters in Costa Rica and regional bureaus for the Andes region with headquarters in Bogota and for the southern area with seat in Lima.

It has been learnt here that a meeting of the CPUSTAL Bureau took place recently in Mexico City with labor representatives from Brazil, Venezuela, Colombia, Costa Rica, Cuba, Mexico, Panama, Peru and Chile attending. The discussions focused on additions to the action program and better coordination of activites.
A particularly salient item on the agenda was the broadening of the trade union campaign on "foreign indebtedness of Latin American countries" initiated by Cuba in mid-1985 and/or the preparation of a Latin Ameriucan trade union conference on "foreign indebtedness" to be held in Sao Paulo from 18 to 21 May 1987 on the initiative of national labor organizations from Brazil, Bolivia and Uruguay. CPUSTAL hopes that this conference will result in significantly intensified cooperation with noncommunist labor federations. Direct contacts are to be established and the dialogue is to be intensified at the conference in attempts at bringing influence to bear on the Latin American trade union movement to subscribe to the aspired CPUSTAL unity of action.
A special priority in CPUSTAL and WFTU activities continues to be efforts for creating favorable conditions for the formation of a Latin American trade union federation. An intensive campaign going on for years for convening a conference where a regional Latin American federation was to be set upwas defeated by a lack of response on the part of the noncommunist trade union organizations.
The Latin American labor movement is ideologically and organizationally factionalized both at regional level and in the majority of Latin American countries. The following labor federations are active at regional level:
Communist controlled CPUSTAL set up in 1964. It cooperates with the WFTU and incorporates 26 trade unions, the most influential being the Cuban CTC and the Nicaraguan CSTU and also the Colombian CSTC, the Peruvian CGTP and the Uruguayan CNT.
The Inter-American Regional Organization of Workers (ORIT) set up in 1951 with the help of the North American AFL-CIO and the ICFTU. It incorporates 24 central organizations (including the U.S.A. and Canada), which comprise roughly one third of trade union members in Latin America. Sticking out are the Mexican CTM and the Venezuelan CTV with some 2 million and 1.8 million members respectively.
The Latin American Confederation of Workers (CLAT) (until 1971: Latin American Confederation of Christian Trade Unionists)with clerical and Christian Democratic forces and the International Union of Christian Trade Unions (since 1968: World Confederation of Labor)as founding fathers. It incorporates 21 central organizations (roughly 15 percent of the trade union members).
There are additionally a number of labor federations with a self-styled autonomous status, which do not belong to any of the above regional organizations.

Meeting of Latin American and Caribbean Youth Organizations

As part of its efforts for broadening its activity in Latin America, the World Federation of Democratic Youth (WFDY) organized in Havana in early April 1987 a meeting of Latin American and Caribbean youth organizations, where an exchange of opinions on current issues of the interntaional situation and the situation in Latin America took place. Another topic were questions of implementing the resolutions of the 12th WFDY General Assembly (Budapest, November 1986). Some 80 representatives from almost all Latin American countries joined in the two-day discussions, of which no details are available yet.
Besides working toward more direct and effective cooperation with noncommunist youth organizations, the WFDY intends to link actions in Latin America more closely still with other aspects of the anti-imperialist struggle. In this, the politico-propagandist guidelines - like those of all Soviet controlled front organizations- are in keeping with the objectives of the Soviet Latin America policy.
The participants resolved to organize a continental action day on 19 July in support of the Sandinist revolution in Nicaragua.

M i d d l e E a s t a n d N o r t h A f r i c a

International Meeting on the Subject of "the Experience of the October Revolution and the Work of Communists Among the Muslim Masses"

Special attention is drawn to the efforts of the Cyprus "center for socialist research and studies in the Arab world (CSRSAW*)

* The CSRSAW and its journal a l N a h d j (the way) have been active since 1983. This control organ of the USSR for propagating marxist-leninist theory and the ideological/organizational merger of Arab communists sees its task mainly in shaping the strategy of the communist parties in the Arab area more effectively by making studies and analyses. The premier purpose of the journal is the holding of symposiums where the uniform lines of a joint strategy of the Arab CPs are to be prepared.

to overcome the relative weakness of the peace movements in the Arab area and to provide impetus to the communist peace and disarmament campaign. To this end, specific and readily comprehensible slogans are to be created mostly and respective methods for mobilizing the masses are to be developed both in the ideological and organizational sectors.
As part of these activities, an international meeting on the subject of "the experience of the October Revolutionm and the work of communists among the Muslim masses" took place in Nicosia as far back as mid-March 1987 - of which we have learnt just now - on the initiative of the CSRSAW, the journal P r o b l e m s o f P e a c e a n d S o c i a l i s m (the unofficial control organ of the CPSU for the international communist movement) and the Cyprus "Progressive Party of the Working People" (AKEL). It was attended by representatives of communist parties from Arab countries as well as countries with a high percentage of Muslims.
Subjects of discussion were the definition of a uniform line in the joint strategy and tactics of the Arab CPs as well as questions of closer involvement of the Arab people in the world-

wide communist peace and disarmament campaign.No details are known yet.
Major backers of the CSRSAW activities in the Arab area are the international Soviet controlled front organizations which aim - as part of their efforts for implementing their action programs- especially at spreading their peace and disarmament campaign beyond Europe to other continents. For achieving this goal, they refer to the linkage between regional and global detente.

III. Dates of Communist or Communist Controlled International Events

a. New or Changed Dates
See text of this report

b. Unchanged Dates

Paris - 9 May 1987 - International manifestation against apartheid organized by WFDY

Athens - 11-14 May 87 - 10th FIR Congress
see also No 7/86

Sofia - 12-15 May 87 - 8th Conference of the TUI of Textile, Clothing, Leather and Fur Workers
see also No 3/87

Bucharest - 20/21 May 87 - Meeting of the Executive Bureau of the TUI of Workers in Commerce
see also No 3/87

Bulgaria - May 87 - International labor meeting on the subject of "the trade union struggle for the establishment of nuclear-weapons-free zones" organized by Dublin Committee
see also No 3/87

Leningrad - 08-12 June 87 - Workers' Conference of the Baltic Countries, Norway and Iceland
see also Nos 1 and 2/87

East Berlin - 19-24 Oct 87 - 10th International Conference of the Metal and Engineering Workers

East Germany - 1st half 87 - Meeting of the presidial committee for disarmament of AAPSO
see also Nos 1 and 2/87

Kabul - 1st half 87 - Meeting of the AAPSOPresidium
see also Nos 1 and 2/87

East Germany - Oct 88 - Meeting of the continuation committee of the CPC
see also No 12/86

Moscow - 23-25 Jun 87 - World Congress of Women organized by the WIDF
see also No 12/85

Ulan Bator - Summer 87 - Consultative meeting of Asian and Pacific

communist parties
see also Nos 1 and 2/87

Moscow - 28/29 Jun 87 - 9th Congrewss of the WIDF
see also No 12/85

Harare/Zimbabwe - Sep 87 - International youth conference on "peace and development" organized by IUS
see also No 3/87

Baghdad - Oct 87 - Meeting of the administrative committee of the TUI of Workers in Commerce
see also No 3/87

? - Late Oct 87 - International trade union conference on "development and disarmament" organized by Dublin Committee
see also No 3/87

Havana - Nov 87 - IUS Congress

? - Nov 87 - Symposium on "foreign indebtdedness" organized by the WFTU together with the Organizationfor African Trade Union Unity
see also No 3/87

? - Fall 87 - Miners' world conference for peace and disarmament organized by International Organization of Miners'

New Delhi - 1987 - Conference of Asian and African writers organized by Afro-Asian Writers Permanent Bureau
see also Nos 8 and9/86

Havana - 1987 - General Assembly of the CPC for Latin America and the Caribbean
see also Nos 1 and 2/87

Western Europe - 87 - Meetings of workers in commerce organized by the TUI of Workers in Commerce
see also Nos 1 and 2 /87

?- 87 - International seminar on the "70th anniversary of the October Revolution" organized by AAPSO
see also Nos 1 and 2/87

Geneva - 87 - International trade union meeting on "trade unions for peace, work and development" organized by Dublin Committee
see also No 3/87

? - 1988 - 7th International Conference of the TUI of Public and Allied Employees
see also No 6/86

East Berlin - Feb 88 - 10th International Conference of Workers of the Building, Wood and Building Materials Industry
see also No 5/86

Moscow - Sep 88 - 8th International Conference of TUI of Workers in

Commerce
see also No 3/87

FR Germany - 88 - 2nd International Conference on participation of teachers in the peace struggle organized by teachers for peace
see also Nos 8and 9/86

North Korea - 89 - World Festival of Youth and Students organized by WFDY and IUS

? - 89 - International conference of the WFTU commission for university-trained engineers, senior managers and technicians
see also Nos 1 and 2/87

East Germany - 1989 - 15th General Assembly of WFSW
see also Nos 8 and 9/86

? - USSR - International conference of Muslims organized by the international preparatory committee
see also No 11/86

? - World forum on "responsibility of young scientists for peace and social progress" organized by WFSW
see also Nos 8 and 9/86

? - Internationa ocnference of all religions on "consolidation of peace and security in Asia and the Pacific area"
see also No 10/86

? - All-Asian forum for peace and cooperation organized by Mongolian labor federation - see also No 3/87

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SUPPLEMENTARY REPORT ON INTERNATIONAL COMMUNISM
TgbNr. 473/87 VS-V

Subject: Activities of International Soviet-Controlled Front Organizations No 03/87

Period Covered: 01-31 March 1987

Summary: See Table of Contents p. I - II and General p. 1 - 2

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Table of Contents

I. GENERAL

The international Soviet-controlled front organizations continued to support Soviet interests and foreign policy during the period covered by this report. More emphasis than before was placed on disarmament and détente. Most front organizations used the Soviet initiative for an agreement on the elimination of Soviet and American intermediate-range missiles in Europe as an incentive to expand their propaganda within the framework of the peace and disarmament campaign.

In the course of its activities in the Third World, mainly the World Federation of Trade Unions (WFTU) is stepping up its efforts for unity of action with non-communist labor federations. The front organizations exploited anti-South African attitudes prevailing in African countries for improving their own prestige through clever propagandistic support.

An item of continued significance is that the Soviet Union does not only rely on the "classic" Soviet-controlled front organizations, but tries to establish and utilize so-called "front-of-fronts" in the form of occupational facilities, organizations and initiatives, which the public cannot identify as communist-influenced or controlled initiatives and which therefore have better possibilities for establishing contacts or exerting influence without rousing suspicion. The "traditional" communist front organizations are increasingly supplemented by a system of new perception management groups, initiatives and networks, which simply cannot be classified as Soviet-controlled organizations and which the USSR uses for its attempts to influence public opinion in the West and the Third World. An example of this "new" approach was the "International Peace Forum" in Moscow in mid-February 1987, which was supposed to attract and "impress" prominent and influential personalities as well as top executives from industry, science, culture and religion. Organizations for the international exchange of scientists and international initiative groups are also increasingly used as important target groups in the multiplication of propaganda by the Soviet perception management apparatus. Interesting in

this context are recently observable efforts at integrating part of the environmental protection movement and ecological groups into the advertising campaign for Soviet disarmament concepts. This development began with the establishment of the international ECOFORUM for Peace movement in Varna, Bulgaria, in August 1986.
In order to win a broad public for communist perceptions of the Cyprus issue, the International Committee for Solidarity with Cyprus, which is controlled by the World Peace Council (WPC), plans to stage an International Conference of Solidarity with Cyprus in Athens in the summer of 1987. Propaganda is not the only goal of the event, since it is also intended to determine future activities on the Cyprus question and provide new incentives to the Cyprus campaign of the Soviet-controlled front organizations.
The Vienna Dialogue for Disarmament and Cooperation, held at the initiative of the International Liaison Forum of Peace Forces (ILF), a WPC cover organization, in mid-March 1987, dealt with "new possibilities of the peace movement in the implementation of disarmament" and questions of closer cooperation within the framework of the peace and disarmament campaign. ILF continues to see its task in coordinating the activities of the various international and national peace organizations. Especially its activities within the frame of the campaign to eliminate intermediate-range missiles in Europe and to create a chemical-weapons-free zone should become increasingly important in the future.

The activities of the Dublin Committee, a cover organization of WFTU, in 1987 again focus on winning the broadest possible range of non-communist trade union federations for participating in the WFTU's disarmament campaign without revealing the underlying communist goals. In connection with the annual "action week for disarmament" held at the initiative of the United Nations, an international trade union conference on "development and disarmament" is scheduled for late October 1987. A trade union meeting in Bulgaria in May 1987 is going to be held under the motto "the struggle of trade unions for the establishment of nuclear-free zones".

II. EVENTS AND ACTIVITIES

Worldwide

International "ECOFORUM for Peace" Movement

Interesting are recently observable efforts to utilize parts of the environmental protection movement in the offensive for popularizing Soviet disarmament perceptions. This development started with the establishment of the international "ECOFORUM for Peace" movement in Varna, Bulgaria, in August 1986.

According to information available here, the executive board of ECOFORUM for Peace convened in Moscow in mid-February 1987. The main item at the meeting was the adoption of the statutes. The movement provides a collective organizational framework for contacts to the social target group of environmentalists and the propagation of worldwide communist peace propaganda. The new institution is tasked to establish connections to environmental organizations and tie them more actively to the worldwide peace movement as well as use them for popularizing Soviet positions. So far, the Soviet-controlled front organizations have not yet been identified to participate directly in the work of the ECOFORUM for Peace.

The establishment of the ECOFORUM for Peace is part of the USSR's attempts at creating more and more occupational institutions and initiatives, so-called "front-of-front" organizations in addition to the "classic" Soviet-controlled front organizations, which the public does not suspect to be under communist influence or control and which therefore have less conspicuous and more effective possibilities for establishing contacts and exerting influence. Important to mention in this context are the following institutions, which are clearly connected with communist front organizations:

- "Teachers for Peace" movement;
- "Journalists for Peace" movement;
- International Committee "Psychologists for Peace and Nuclear Disarmament";

- "International Trade Union Committee for Peace and Disarmament";
- "International Movement of Lawyers for the Protection of Peace and the Prevention of Nuclear War";
- International group "Generals for Peace and Disarmament".

Other occupational (peace) initiatives which are neither communist front organizations nor under communist control (IPPNW-Physicians for the Prevention of Nuclear War; Information Scientists for Peace) either use the same line of argumentation as these organizations, and/or the Soviet perception management apparatus focuses much attention on them because of their important function in the formation of opinions and their "testimony" on behalf of Soviet argumentation and propaganda.

The ECOFORUM for Peace, which is headquartered in Bulgaria, currently comprises representatives from 37 nations. Its executive board secretary is Veyelin NEYKOV (Bulgaria).

Events by the International Trade Union Committee for Peace and Disarmament (Dublin Committee)

In 1987 the Dublin Committee again concentrates its activities on winning as many noncommunist trade union federations as possible for participating in the WFTU disarmament campaign and establishing closer relations with them without revealing communist goals. According to the World Federation of Trade Unions, the disarmament campaign and cooperation connected with it represents an effective basis for creating unity of action among trade unions, which might lead to more extensive cooperation later on.

A trade union meeting in Bulgaria in May 1987 is intended to support the demand by Soviet-controlled international front organizations to establish regional nuclear-free zones. Initiated by the Dublin Committee, the motto of the meeting will be "The Struggle of Trade Unions for the Creation of Nuclear-free Zones". The event will be organized by the Bulgarian trade union federation. Another trade union meeting

on the subject "Trade Unions for Peace, Work and Development" is planned to be held in Geneva. In connection with the annual "Action Week for Disarmament" held at the initiative of the United Nations, an international trade union conference on "Development and Disarmament" is scheduled for late October 1987.
An especially interesting fact is that the Dublin Committee intends to establish a permanent institution for examining the socio-economic effects of the militarization of space. The working methods of this new organization will be oriented upon the experience of other permanent institutions of the Dublin Committee, such as the "working group for disarmament and for converting the arms industry to the production of consumer goods".

The Dublin Committee at present is the most active and influential of WFTU's cover organizations. It appears to be an "independent" institution, but is in fact the most important control and co-ordinating organ of the Soviet Union and WFTU active worldwide for influencing the non-communist trade union movement. Within the framework of the disarmament campaign, the Committee not only tries to enhance exchange of opinions among trade unions, but also establishes links with international organizations, such as the United Nations and the International Labor Organization (ILO). It cooperates with peace movements and groups as well as scientific institutions and experts. The international influence it developed is also reflected in the fact that it has meanwhile become an associate member of the U.N. Disarmament Commission in the status of a nongovernmental organization (NGO).

Activities of the International Organization of Miners (IOM*)

The IOM Executive Committee convened in Paris in late March 1987 in order to determine the main guidelines and tasks of IOM activities for the next two years. Two of the most significant aspects of IOM's work will be to establish contacts with non-communist miners' unions and to place more effort on winning

*) For IOM, see International Communism No 10/86

more members.
Special regions on which IOM will focus its activities in this connection are going to be Africa, the Middle East and Latin America.
It is important to note that the Chinese miners' organization intends to join IOM. This would be the first time in 20 years that a national Chinese organization cooperates with an international organization under Soviet control again. The national Chinese member organizations had walked out on the international Soviet-controlled front organizations in the mid-1960s.
IOM, which was founded in September 1985 at the initiative of the Soviet trade union federation, the Communist-oriented French trade union federation CGT and the British miners' union NUM, currently consists of 33, partly communist, miners' unions from 30 nations, including Australia, Benin, Chile, France, the GDR, Ghana, Greece, Great Britain, India, Portugal, USSR, and Cyprus. It has taken up contacts to the miners' unions of South Africa, Namibia and the Philippines.

The primary event on the action program adopted by the IOM Executive Committee is a World Conference of Miners for Peace and Disarmament scheduled for the fall of 1987. The topics on the agenda will only comprise general questions of disarmament in order to achieve a large participation of noncommunist miners' unions. It is not known as yet where the conference is going to be and what the exact items on the agenda will be. IOM clearly takes a one-sided stand on disarmament in support of Moscow's intentions and the interests of Soviet foreign policy.
The purpose of the event is not only to tie miners' unions more actively to the worldwide disarmament campaign, but mainly to familiarize non-communist participants with the political positions and intentions of IOM. IOM moreover expects the conference itself and the implementation of its results to lead to an expansion of its activity and a considerable increase of cooperation with non-communist miners' unions.

The foundation of IOM in 1985 has been a success for Moscow and WFTU, which had been planning such a project for years. The main advantage this new organization yields for the USSR is that it permits the establishment of contacts to miners' unions of various political directions without the USSR or the communist-controlled

WFTU having to appear openly as the real control organizations. The WFTU-controlled Trade Union International of Miners was disintegrated upon the foundation of IOM.

The East German representative at the Executive Committee meeting was Günther Wolf, the chairman of the Central Board of the miners'/ energy industrial union of the GDR. The USSR was represented by M.A. Srebnyi, the chairman of the Central Committee of the mine workers' union, who is IOM vice president as well.

The new IOM headquarters was opened in Paris also in early March 1987. So far, the French authorities have refused to issue entry visas to the Soviet IOM representatives. Originally, the IOM headquarters was planned to be established in Great Britain.

Activities of the International Liaison Forum of Peace Forces (ILF*)

The so-called "front of front organizations", i.e., cover organizations which the public cannot immediately identify to be under communist influence, continue to figure prominently within the peace and disarmament campaign of the international Soviet-controlled front organizations. The ILF is an especially effective tool used by the World Peace Council for implementing its political goals.

At initiative of ILF, the 4th Vienna Dialogue for Disarmament and Détente under the motto "A World Without War and Violence" took place in Vienna from 13 to 16 March 1987. It was attended by about 200 representatives of the international peace movement, politicians, members of parliaments and scientists from 60 nations of all continents. The discussions were focused on "new possibilities of the peace movement to implement disarmament" as well as questions of closer cooperation within the peace and disarmament campaign. Additional special highlights at the discussions were Gorbachev's proposal to eliminate intermediate-range missiles in

*) For ILF, see International Communism No 12/86

Europe, the tasks resulting for the "peace movement",and the draft agreement for a chemical-weapons-free zone in Central Europe made by the West German Socialist Party (SPD) and the East German Socialist Unity Party (SED). Important in this context also is the scheduled European Conference for a Chemical-Weapons-Free Zone in Europe to be held in Mainz, West Germany, on 04/05 July 1987.

The four working groups of the 4th Vienna Dialogue dealt with the following topics:
- Security policy and social development;
- Non-military security conception and concrete disarmament proposals;
- Role of public opinion in enhancing disarmament;
- International cooperation.

No information is available yet on the details worked out at the discussions.

The ILF sees its main task in coordinating the activities of the various international and national peace organizations. Its activities will presumably become increasingly important especially within the campaign for the withdrawal of intermediate-range missiles from Europe and for the establishment of a chemical-weapons-free zone.
East Germany was represented in Vienna by a delegation headed by Manfred Feist, a member of the SED party's Central Committee. At the head of the Soviet delegation was V.I. Ignatenko, the editor-in-chief of the Soviet foreign-policy journal, New Time.

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Activities of the International Bureau for Youth Tourism and Exchanges (BITEJ*)

The International Bureau continues to focus much of its activity on efforts to gain more influence on the international youth movement. Information available here indicates that the Council of BITEJ (international abbreviation of Bureau International du Tourisme et d'Echange de la Jeunesse) held a meeting in Vienna in early March 1987, which was attended among others by delegates from Hungary, East Germany, Finland, Italy, Romania, Algeria, Greece, Spain, France, Poland, the USSR and Czechoslovakia.

The consultations were focused on organizational questions as well as an amendment of the working program adopted at the BITEJ general assembly (in Budapest in November 1986). An important item on the agenda were already preparations for the 13th World Festival of Youth and Students (WF) to be held in Pyongyang in the summer of 1989 under the motto "For Anti-Imperialistic Solidarity, Peace and Friendship". For cosmetic reasons, BITEJ is responsible for transporting and accommodating the participants of the festival, in that way covering the World Federation of Democratic Youth (WFDY), which is generally known to be a Soviet-controlled front organization, as the real organizer. So far, the outcome of the discussions is not known yet. An important aspect of BITEJ's work is going to be the expansion of contacts with corresponding institutions of national youth organizations.
BITEJ, which represents the political goals and principles of

*) BITEJ, which is headquartered in Budapest, was established as a cover organization of WFDY in 1960. It comprises youth organizations and "bureaus" working in the field of tourism and youth exchange. At current, BITEJ has 66 national and international organizations from 50 nations as members.

WFDY, is an especially important tool for communist influence on the international youth movement. One of its tasks is to organize youth exchanges and trips. BITEJ is very much intent on cooperating with youth associations which reject WFDY for political reasons.

BITEJ is in continuous and close cooperation with Soviet institutions, for example the "SPUTNIK" travel agency for young people.

Activities of the Trade Union International of Workers in Commerce (TUI*)

Especially noteworthy is the currently observable increase of activity by the TUI of Workers in Commerce. One of the most important items on the action program is the preparation of the "8th International Occupational Conference" planned to be held in Moscow in September 1988. Conference preparations are to be focused on a systematic expansion of contacts and co-operation with non-communist trade union federations and an intensification of the national member organizations' work.

The main items or guidelines of future activities by the TUI are going to be determined at the Executive Bureau meeting scheduled to be held in Bucharest on 20/21 May 1987. Other topics on the agenda are

- Interrelations between disarmament and development of trade - tasks of trade unions. (The TUI has a working group for coordinating the activities connected with the disarmament campaign of the World Federation of Trade Unions (WFTU).)
- Further preparations for the 8th International Occupational Conference;
- Consequences of the policies of multinational corporations.

*) The Prague-based TUI was established in 1959. It comprises 70 labor organizations from 61 nations with about 23 million members. Its President is Janos Vas (Hungary), the General Secretary is Ilie Frunza (Romania).

The Administrative Committee is going to convene in Bagdad in October 1987. It is planned to stage a "meeting by trade unions of commerce" in Western Europe in 1987, which is to deal with questions of a closer integration of non-communist labor federations into WFTU's disarmament campaign as well as consequences of the policies of multinational corporations. Also interesting to mention is the TUI's intention of organizing an "International Women's Conference".

The TUI is going to put more emphasis on regional activities in the future. Most importance will be attached to making popular initiatives, action programs and documents adopted by the TUI's executive bodies and intensifying contacts between the TUI member organizations and members of other or independent labor federations. Another special item will be training of trade union cadres of commerce. Regional organizations working for the TUI in Third World countries are

- the Pan-African Federation of Commerce (PANACOM),
- the Latin-American Confederation of Workers in Commerce (COLTRAC), and the
- Arab Federation of Workers in Commerce (FATC).

E u r o p e

G.A. Borovik - New Chairman of the Soviet Peace Committee

Information available here indicates that Genrikh Aviezerovich Borovik was elected new chairman of the Soviet Peace Committee at its latest Presidium meeting in Moscow on 06 March 1987. Borovik is the successor of 79-year old G.A. Zhukov, political commentator of Pravda, member of the Commission for International Affairs of the Supreme Soviet and Presidium member of the World Peace Council, who had been in this position since March 1982. Information on the concrete results of the consultations, especially the adopted action program, is not available yet. A significant fact is that the Presidium meeting was (presumably for the first time) attended by A.F. Dobrynin, Secretary of the CPSU's CC and Chief of the International Department of the CPSU's CC.

There is an unconfirmed report according to which the Soviet Peace Committee invited leading personalities of "peace movements" from all over the world to come to Moscow in mid-May 1987. It might be intended to organize an International Peace Forum for the "peace movements", which is just as representative as the one in Moscow of mid-February 1987, in which only famous Western personalities with influence on public opinion and intentionally no representatives of peace movements and extraparliamentary groups participated.

The Soviet Peace Committee is a special tool the USSR uses for directing, controlling and funding. That the Soviet instructions and control impulses are implemented is guaranteed by the large number of Soviet representatives (all members of the International Department) or pro-Moscow communists in the executive bodies of the World Peace Council.
The SPC functions as an instrument and executive body of the International Deptarment of the CPSU Central Committee, which is headed by the long-term Soviet Ambassador to the U.S.A., A.F. Dobrynin. The ID is the central operational headquarters for controlling all international Soviet-controlled front organizations. It maintains contacts to the approximately 100 non-governing CPs of 95 nations and is responsible for relations with "peace" and liberation movements worldwide. Another field of responsibility are the ideologic control organs of the international communist movement, such as the journal published in 40 languages in Prague, Problems of Peace and Socialism.

The following is known about Borovik's curriculum vitae:
- Born in Minsk on 16 November 1929
- Secretary of the Soviet pen association
- Editor-in-chief of the Theater journal
- Vice President of the Soviet Peace Committee
- New York correspondent of NOVOSTI/APN press agency in the late 60s and late 70s
- Member of the all-union agency for the rights of writers.

Preparations for an International Conference of Solidarity with Cyprus by the World Peace Council (WPC*)

In trying to win a broad public for communist perceptions on the Cyprus question, the International Committee of Solidarity with Cyprus, which is controlled by the WPC, plans to hold an International Conference of Solidarity with Cyprus in Athens in the summer of 1987. It plans to continue the conference preparations and determine the points on the agenda at a meeting in Sofia from 21 to 23 April 1987.
Apart from serving propagandistic goals, the conference will be intended to provide new momentum to the Cyprus campaign of the Soviet-controlled international front organizations and determine future Cyprus activities.

Also important to mention in this context is the increasing attractiveness of Athens as a meeting place for Soviet-controlled front organizations.

International Peace Seminar of Youth

As part of the implementation of the decisions made at the 12th General Assembly of the World Federation of Democratic Youth (WFDY), an international "Youth Peace Seminar" took place in East Berlin from 23 to 27 March 1987 at the initiative of the East German Free German Youth (FDY) association. It was attended by representatives of national youth associations from about 100 nations as well as international and regional organizations. The consultations were mainly focused on questions of a closer integration of the youth movement into the current peace and disarmament campaign of the World Federation of Democratic Youth and the International Union of Students (IUS). No information is available yet on the concrete results of the meeting.
During the preparations for this forum of dialogue, FDY was especially intent on convincing the largest-possible range of non-communist youth associations to participate.

A f r i c a

Symposium on "Foreign Indebtedness"

The following topics continue to be of top priority in the agitation of the World Federation of Trade Unions (WFTU) in the Third World:
- Foreign indebtedness,
- Protectionism and unequal trade relations which imperialism forced on the developing countries, and
- The demand for a new international economic order.

By dealing with these topics, WFTU mainly intends to demonstrate an identification with the problems of Third World nations and thus achieve closer cooperation with the trade unions.

Important to mention in this connection is WFTU's intention of staging a symposium on "Foreign Indebtedness" in November 1987 in cooperation with the Organization for African Trade Union Unity (OATUU). Such regional meetings are supposed to prepare the ground for an international trade union conference on the debt problem. A regional trade union meeting within the framework of the "Campaign against the Foreign Indebtedness of Third World Countries and for a New International Economic Order" has taken place in Havana as far back as 1985.

These activities are presumably connected with WFTU's attempts at gaining even more influence on OATUU. Interesting in this context is the visit of a WFTU delegation to Accra/Ghana for talks with the OATUU leadership from 19 to 21 January 1987. On the WFTU delegation were Ibrahim Zakaria (Sudan), WFTU Secretary General, and Cassien Hygin Gbaguidi (Benin), the chief of the Africa section. OATUU was represented by Hassan A. Sunmonu, Secretary General, and Ali Ibrahim, Assane Diop, Abdouaye Diallo and Demba Diop, deputy secretary generals. The results of this first official meeting after the 2nd Extraordinary OATUU Congress (Addis Ababa, 24 to 26 October 1986) have not become available yet.
It had become necessary to convene an extraordinary congress since OATUU had been constantly troubled by internal friction after January 1985, which practically paralyzed the Executive Committee in its activities. The main reasons for dissension

were the international ties of national member organizations and voting procedures.

Activities of the International Union of Students (IUS*)

It became known here that IUS intends to convene an international youth conference on "Peace and Development" in Harare, Zimbabwe, in September 1987. A primary item of discussion is going to be the situation in southern Africa. In addition, it is planned to cover questions dealing with preparations for the IUS Congress scheduled to be held in Havana in November 1987 and for the 13th World Youth Festival in Pyongyang in the summer of 1989. The event will be organized by the national students' association of Zimbabwe. Approximately 50 delegations have already been invited to attend.

The obvious purpose of this event is to advertise Soviet positions on peace among representatives of African students' unions as well as integrate the African students' movement more strongly into the worldwide IUS peace campaign.
This event is moreover seen to be part of the efforts also observed to be made by other Soviet-controlled front organizations: i.e., capitalize on the situation in South Africa.
IUS Vice President Jerzy Kaminski (Poland) and a delegation visited Harare in early March 1987 in order to prepare the conference.

IUS hopes to increase its influence on the African students' movement by holding the conference. Especially the establishment of contacts to students' organizations that are not yet members of IUS at the sidelines of the conference will certainly contribute to expanding IUS activity in that region.

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*) For IUS, see International Communism Nos 1 and 2/87

A S I A

Activities of the World Federation of Trade Unions (WFTU) in Asia

The Asian labor movement continues to be an important element for WFTU and the USSR in the international trade union movement. Special highlights of the 1987 action program of WFTU are the expansion of relations with national trade union federations in Asia and an increase of its basis for action there.

It is interesting to note that WFTU continues its efforts to establish unity of action with non-communist Asian trade union federations within the framework of the current peace and disarmament campaign of the Soviet-controlled front organizations. Information available here indicates that the Mongolian trade union federation is currently preparing a "Pan-Asian Forum for Peace and Cooperation". The consultations will be focused on the further mobilization or closer integration of trade unions of this region into WFTU's disarmament campaign. Moreover, the current campaign of the international Soviet-controlled front organizations uses this Forum for demanding an "Asian peace conference" - similar to the CSCE. In recent times, the USSR has repeatedly mentioned and propagated such a project.

No information is available yet on the progress of the preparations and the topics on the agenda. Preparatory talks had already been held at the 11th World Trade Union Congress (in East Berlin in September 1986). In its preparations, the organizer is placing much effort on getting the largest-possible number of non-communist trade union federations to participate.

Finally, it is important to mention that WFTU plans to support the "campaign for making the Indian Ocean a zone of peace" by staging an international trade union forum. It has already held preparatory talks with trade union organizations from India, Sri Lanka, Pakistan, Australia, Madagaskar, Mauritius, Seychelles, Réunion and South Africa.

III. DATES OF COMMUNIST OR COMMUNIST CONTROLLED INTERNATIONAL EVENTS

a) New or Changed Dates

Bucharest 20/21 May 1987	Executive Bureau meeting of the TUI of Workers in Commerce
Bulgaria May 1987	International Trade Union Meeting on "Struggle of Trade Unions for Nuclear-Fre Zones"; organized by the Dublin Committee
Athens Summer 1987	International Conference of Solidarity with Cyprus; organized by the International Committee of Solidarity with Cyprus
Harare, Zimbabwe September 1987	International Youth Conference on "Peace and Development"; organized by IUS
? Late October 1987	International trade union conference on "Development and Disarmament"; organized by the Dublin Committee
Bagdad October 1987	Session by the Administrative Committee of the TUI of Workers in Commerce
? November 1987	Symposium on "Foreign Indebtedness"; organized by WFTU in cooperation with OATUU
? Fall 1987	World Miners' Conference for Peace and Disarmament; organized by the International Organization of Miners
Paris 09 May 1987	International manifestation against apartheid; organized by WFDY
Geneva 1987	International trade union meeting on "Trade Unions for Peace, Work and Development"; organized by the Dublin Committee
Moscow September 1988	8th International Occupational Conference of the TUI of Workers in Commerce
?	Pan-Asian Forum for Peace and Cooperation; organized by the Mongolian trade union federation

b) Unchanged Dates

West Germany April 1987	Conference by the International Commission for Disarmament of the Christian Peace Conference (see also Nos 1 and 2/87)
Arnoldshain, FR Germany 06-10 April 1987	Working Committee meeting of the Christian Peace Conference (see also No 12/86).
Athens 11-14 May 1987	10th Congress of FIR (see also No 7/86)
Sofia 12-15 May 1987	8th Occupational Conference of the TUI of Textile, Clothing, Leather and Fur Workers; (see also Nos 1 and 2/87)
Leningrad 08-12 June 1987	Workers' Conference of the Baltic Countries, Norway and Iceland (see also Nos 1 and 2/87)
East Berlin 19-24 October 1987	10th International Conference of the TUI of Workers in the Metal and Machine-Building Industry
East Germany First half of 1987	Session of the AAPSO Presidium Committee for Disarmament (see also Nos 1 and 2/87)
Kabul First half of 1987	AAPSO Presidium meeting (see also Nos 1 and 2/87
East Germany October 1988	Meeting by the Continuation Committee of the Christian Peace Conference (see also No 12/86)
Moscow 23-25 June 1987	World Women's Congress; organized by WIDF; (see also No 12/86)
Ulan Bator Summer of 1987	Consultative meeting of communist parties of Asia and the Pacific region (see also Nos 1 and 2/87)
Moscow June 1987	9th WIDF Congress (see also No 12/85)
Havana November 1987	IUS Congress
New Delhi 1987	Conference of Asian and African Writers; organized by the Afro-Asian Writers' Permanent Bureau (AAWPB) (see also Nos 8 and 9/86)

Havana 1987	General Assembly of the Christian Peace Conference for Latin America and the Caribbean region; (see also Nos 1 and 2/87)
Western Europe 1987	Meeting of the Workers in Commerce; organized by the TUI of Workers in Commerce; (see also Nos 1 and 2/87)
? 1987	International seminar on "70th anniversary of the October Revolution": organized by AAPSO; (see also Nos 1 and 2/87)
? 1987	Consultative meeting of the European member organizations of the TUI of Metal Workers; (see also Nos 1 and 2/86)
? 1988	7th International Occupational Conference of the TUI of Public and Allied Employees; (see also No 6/86)
East Berlin February 1988	10th International Conference of the TUI of Workers in the Building, Wood and Building Material Industry (see also No 5/86)
FR Germany 1988	2nd International Conference on the Role of Teachers in the Struggle for Peace; organized by "Teachers for Peace"; (see also Nos 8 and 9/86)
North Korea 1989	World Festival of Youth and Students; organized by WFDY and IUS
? 1989	International Conference of the WFTU Commission for Engineers, Executives and Technicians; (see also Nos 1 and 2/87
East Germany 1989	15th General Assembly of WFSW; (see also Nos 8 and 9/86)
? USSR	International Conference of Muslims; organized by the International Preparatory Committee (see also No 11/86)
?	World forum on "Responsibility of Young Scientists toward Peace and Social Progress"; organized by WFSW (see also Nos 8 and 9/86)
?	International Conference of all Churches on "Consolidation of Peace and Security in Asia and the Pacific Region"; (see also No 10/86)

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22 June 1987

SUPPLEMENTARY REPORT ON INTERNATIONAL COMMUNISM

TgbNr.: 841/87 VS-V

Subject : 4th Moscow Information Meeting for Representatives of "Peace Movements"

Cutoff Date : Mid-June 1987

Summary:

An "Information Meeting - Dialogue" for representatives of "peace movements" took place in Moscow from 13 until 15 May 1987. It served the purpose of presenting Soviet policies by ranking Moscow functionaries and offering the opportunity for a dialogue among participants. The atmosphere was characterized by "glasnost" and "new thinking"; the sometimes controversial discussions were conducted in an open, patient and understanding manner by the Soviets. The new leadership of the "Soviet Peace Committee" had the chance to present itself.

Among the approx. 230 participants were delegates from almost all Socialist, but not from third world countries. The front organizations as such were not represented. A particularly large group of participants had come from the United States.

The lists of the 1986 and 1987 participants are enclosed as annexes I and II.

1. The so-called "4th Information Meeting - Dialogue for Representatives of Peace Organizations" was held in Moscow from 13 until 15 May 1987. The letter of invitation which had been sent by the "Soviet Peace Committee" had explained that the meeting was to be a dialogue between "representatives of the Soviet public" and "representatives of peace movements and organizations from the West and East". Thus, the first day was to be devoted to lectures by partly high-ranking Soviet functionaries while during the two following days discussions would be held in five working groups and a special women's group which was to be formed ad hoc.

   The most prominent Soviet speaker was the first deputy head of the "International Department" of the Central Committee of the CPSU, Vadim ZAGLADIN. He once again held forth on the thesis that at a time when mankind was threatened by nuclear annihilation, averting this danger must have priority over any other objectives. Starting from this premise, ZAGLADIN formulated the ethical and theoretical fundamental principles of Moscow's current policies as to foreign affairs and security, as seen by today's Soviet leadership around GORBACHEV, which were all aimed at "ensuring international security".

   "Ensuring of International Security" was also the general theme of the meeting. The five working groups examined it under military-strategic, political, economic and "humanitarian" (human rights) aspects as well as with a view to the role played by the "peace movements". As to the latter item it was said beforehand that questions to be discussed would be "our common efforts to develop a diplomacy of the peoples', to dissolve 'foe perceptions' and to overcome the syndrome of distrust".

2. Western participants reported that the Soviet organizers had gone out of their way to create an atmosphere of "glasnost" and "new thinking" for the meeting. The Soviets had actually taken part in open and repeatedly controversial discussions

and had endeavoured to appear patient and tolerant. The new chairman of the "Soviet Peace Committee", Genrikh BOROVIK, for example, had made a good impression in this respect. When confronted with a host of challenging questions, the Minister of Justice, Aleksander SUKHAREV, had agreed to arrange a meeting with a Moscow human rights group. Worth mentioning was also the fact that in working group No. 4 which dealt with humanitarian and human rights questions, a member of a Soviet "Helsinki Group" had taken part who had only recently been released from prison.

3. For the Soviets, an important purpose of the event is assumed to have been the opportunity for bilateral talks with individual Western participants and participating groups. It is interesting to note that the Soviet functionaries took care not to create the impression of wanting to impose on their partners in the talks any advice, let alone instructions for the "struggle for peace" in the West. Any suggestions of this kind were usually declared to be a "personal opinion".

4. Moreover, the new leaders of the "Soviet Peace Committee" took the opportunity to make themselves known to representatives of Western "peace movements". Apart from the replacement of Yuri ZHUKOV by the writer and secretary of the Soviet writers' federation, G. BOROVIK, at the top of the "peace committee" on 6 March 1987, there has also been some shifting of responsibilities for some secretaries of the "peace committee". The first deputy chairman, Vladimir ORYOL, now is somthing like a secretary general of the "peace committee". He headed working group No. 5 (role of the "peace movements") and, unlike the "sophisticated intellectual and artist" BOROVIK, he was reported to give the impression rather of being an organizer and traditional "apparachik".

5. The lists of participants (see annexes) of this year's and the previous meeting which had been held in Moscow on 15/16 March 1986, mainly differ on the following points:

- In 1987, the number of Soviet participants, 62 persons, had more than quadrupled. In 1986 only 15 prominent persons had attended whereas this time a broad spectrum of publicists, scientists, artists and "peace committee" functionaries as well as representatives of regional and local "peace committees" had been summoned.

- In 1987 for the first time, between one and four functionaries of each "peace organization" of Socialist countries had participated. They had come not only from Soviet bloc sountries but also from Yugoslavia, Mongolia, North Korea, Vietnam, Laos, Cambodia and Cuba. Thus, the international "Socialist system" was almost completely represented in the form of its integral components, the "peace movements", representing their respective regimes. Only Albania and the PR China were missing.

- Similar to the Moscow "International Peace Forum" of mid-February 1987, the non-Soviet participants from Socialist countries are thought to have only played a minor role. All the same they are assumed to have been included in efforts aimed at gradually upgrading and making more acceptable in the eyes of Western "peace movements" those "official peace movements" from the communist sphere of power.

- As to the Western participants, it is particularly interesting to note that the American group has grown enormously: In 1986 only 6, this time 56 persons attended the event. The number of Canadian participants more than doubled, from 6 to 13 persons.

- The number of participnats from the Federal Republic of Germany, however, had decreased by three as compared with the previous year to 23. Only six persons had participated in both years: CALLIESS, FISCHER, KUJAWA, LEHLBACH, LUENTZ and SCHMITZ.

6. The "4th Information Meeting" for "representatives of peace movements" presumably was also intended as a kind of follow-up and additional event in the aftermath of the Moscow "International Peace Forum" of mid-February 1987. As early as March 1987, circles of the Western "peace movements" had indicated that a certain compensation was expected for the fact that they as the "actual peace movement" had not been invited to a major event dubbed "Peace Forum". Despite some endeavours of the Soviet hosts and despite certain parallels between "working groups" and some "forums", such a compensation has only been provided to a very limited extent. The expectation that Moscow would strive to accord the meeting of the "peace movements" a similarly wide plublicity and that Gorbachev would seize the opportunity to make another appearance before a Western public, was not fulfilled. In fact, the "4th Information Meeting" was only very scantily covered by the Eastern media as compared with the "Peace Forum".

7. Finally, it must be pointed out that none of the major international front organizations, in particular the "World Peace Council" (WPC) and "Christican Peace Conference" (CPC), was represented in that capacity at the "4th Information Meeting". In February 1987, only very few figures who played a role in front organizations took part in some of the forums, as for instance in that of the "Religious Personalities".

   In May 1987, more or less the same thing happened: The secretary general of the WPC, Johannes PAKASLAHTI, was assigned to the Finnish group of participants - or was hidden there; the WPC secretaries from Bulgaria, Czechoslovakia, Poland and Switzerland were treated in the same way.

   This repeated demonstration of blatant disregard for the front organizations might be explained by the Soviet organizers' wish not to risk their "credibility" in the eyes of their courted Western guests by allowing their "covert helpers" from the front organizations to play a prominent role.

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Tgb.Nr. 841/87 VS-Vertr.

LIST
OF PARTICIPANTS OF THE IV INFORMATION MEETING-
DIALOGUE
(Moscow, May, 13 - 15)

AUSTRIA

Thaddaeus Steinmayr	-	burgomaster of St.Ulrich by Steyr
Rudolf Weiler	-	Professor of theology, University of Vienna
Peter Lautischer	-	Austrian Peace Council
Christiane Maringer	-	Austrian Peace Council
Peter Stania	-	secretary, International Peace Institute in Vienna

AUSTRALIA

Dr. Naham Warhaft	-	vice-chairperson, Campaign for International Cooperation and Disarmament; convenor, Professional Organisations Against Nuclear Arms (POANA)
Roderic Pitty	-	member, People for Nuclear Disarmament
Jack Lomax	-	members, People for Nuclear Disarmament
Cristin Mary Lomax		

BELGIUM

France Truffaut	-	Senator, Belgium Parliament, member of Liège Peace Union
Linde Vanneste	-	Secretary, Flemish peace organisation "Vrede"
Ignias Lindemans	-	Member, International Committee for European Security and Cooperation; president Pax Christi-Flendre
Paul Lansu	-	Pax Christi - Flandre
Robert de Gendt	-	Consultative Centre for Peace (OCV), General Secretary, International Committee for European Security and Cooperation
Robert Dedouai	-	President, National Action Committee for Peace and Development (CNAPD)
Jan Turf	-	International Secretary, Flemish Action Committee against Nuclear Weapons (VAKA)
Joseph Lheureux	-	"Meetings for Peace"

BULGARIA

Ivan Belchev	-	editor of magazine "Zaschita na mira"
Kosta Ivanov	-	secretary, WPC

CANADA

Dieter Heinrich	-	president, World Federalists of Canada
Edward Sloan	-	president, Quebec Peace Council
Laurette K. Sloan	-	president, Quebec Women's Association
Yvonne A.Stanford	-	member, National Council, "Women's Voice"
Stewart A.Thiesson	-	executive secretary, National Union of Farmers
Leyla Raphael	-	World Christian Peace Conference
Marion Kerans	-	member, National Council, "Women's Voice", Canadian Peace Allience
David L.Thompson	-	Scientists for Nuclear Disarmament
Marcy Rnic	-	president, Ottawa branch of Women's International League for Peace and Freedom
Bruce York	-	Canadian Peace Congress
Bonnie Robinson	-	office manager, the Greater Victoria Disarmament Group
Joanne Dufay	-	Regina Coalition for Peace and Disarmament
Helen O'Shavighnessy	-	United Fishermen and Allied Worker's Union

CUBA

Lino Fernandes	-	member of secretariat , Cuban Movement for Peace and Sovereignty of Peoples

CYPRUS

Yiannakis Potamitis	-	member, Cyprus Peace Council Secretariat

CZECHOSLOVAKIA

Josef Creichi	-	first vice-president Czechoslovakian Peace Committee
Ivan Fiala	-	Head of the international department, Czechoslovakian Peace Committee
Kvetoslav Ondrachek	-	secretary, WPC
Vatslav Geikl	-	journalist, "Orbis" Press agency

DANMARK

Lasse Budtz	-	Chairman, Social Democratic Party Commission on Security and Foreign Policy, M.P.
Johnny Baltzersen	-	Danish Committee of Cooperation for Peace and Security, secretary
Dagmar Fagerholt	-	Danish Committee of Cooperation for Peace and Security
Hermod Lannung	-	World Association of World Federalists, president
Jens Clausager	-	Radical Party, Secretary General, MP
Frits Feld	-	Social Democrats Against Nuclear Weapons
Kristin Clausager	-	Youth Union
Ida Harslöv	-	Women's International League for Peace and Freedom

FEDERAL REPUBLIC OF GERMANY

Guido Gruenwald	-	German Peace Society; Initiative for Peace, International Reconciliation and Security
Milan Horacek	-	Green Party of West Germany
Eckhard Fischer	-	END - co-ordination
Juergen Kujawa	-	Committee for Peace, Disarmament and Co-operation
Tobias Tomas	-	Committee for Peace, Disarmament and Co-operation
Bernd Hahnfeld	-	Krefeld Initiative
Horst Trapp	-	Krefeld Initiative
Joerg Huffschmid	-	Krefeld Initiative
Franz Hermann	-	Krefeld Initiative
Rolf Wischnath	-	Krefeld Initiative
Julius Lehlbach	-	Krefeld Initiative
Horst Bethge	-	German Peace Council
Ulrich Foltz	-	German Peace Council
Willi van Ooyen	-	German Peace Council
Elke Mennenkamp	-	German Peace Council
Juergen Ackermann	-	Christian Peace Service
Uli Schmitz	-	Industrial Peace Initiatives
Heinz Luentz	-	Society for Educational ourism
Arno Rann	-	Hansa-tourist
Peter Brolik	-	Peace List
Joerg Calließ	-	Evangelical Academy of Loccum

FINLAND

Matti Ruokola	-	president, Finnish Peace Committee
Cay Sevon	-	general secretary, Finnish Peace Committee
Pertti Paasio	--	president, Finnish Committee for European Security and Cooperation; Chairman Parliamentarian Group, Social Democratic Party; MP
Reijo Wilenius	-	chairman of the Council, Finnish Peace Committee
Geran von Bons-dorff	-	president, Peace Union president, Finnish Committee for Nuclear Test Ban
Anne Suominen	-	secretary, Finnish Committee for Nuclear Test Ban
Kimmo Kajaste	-	editor-in-chief, "Political Weekly"
Johannes Pakaslahti	-	general secretary, WPC
Lauri Kontro	-	editor-in-chief, "Suomenma" newspaper

FRANCE

Pierre Huguenin	-	National Bureau Member, French Peace Movement, Secretary, World Peace Council
Philippe Denis	-	Physicians for the Prevention of Nuclear War

G D R

Renata Milke	-	deputy general secretary, GDR Peace Council
Herhard Lindner	-	Vice-president, GDR Peace Council

GREECE

Charalambos Perogiannakis	-	member of the Presidium of the Greek Committee for International Detente and Peace (EEDYE)
Theodoros Keis	-	EEDYE National Council member
Kostantinos Papaspiridis	-	vice-president, Movement for National Independence, World Peace and Disarmament (KEADEA)
Fotios Mitsis	-	member, KEADEA
Michalis Peristerakis	-	vice-president, AKE vice-president, International Peace Bureau

HUNGARY

Miklos Barabos	-	General Secretary, Hungarian Peace Council
Eva Horvat	-	Secretary,Hungarian Peace Council

REPUBLIC OF IRELAND

Deirdre O'Hwallachain	-	Chairperson, Irish Campaign for Nuclear Disarmament
Richard Harrison	-	Dublin ftiens's Committee (Quakers)
Adi Roche	-	Cork Campaign for Nuclear Disarmament
Maureen Fox	-	Women's editor,"The Cork Examiner"

ICELAND

Helgi Kristjansson	-	Icelandic Peace Committee. President

ITALY

Roberto Fieschi	-	Union of the Italian Scientists for Disarmament
Giacomo Cagnes	-	United Committee for Disarmament and Peace (Comiso)
Girolamo Piparo	-	United Committee for Disarmament and Peace (Comiso)
Luchano Ariani	-	secretary, Italian Peace Forum
Perlunji Onorato	-	Italian Peace Forum
Silvia Boba	-	secretary, Italian Trade-Union Confederation (CISL)
Luigi Panelly	-	secretary , International Center for Peace between Peoples (Assisi)
Flavio Lotti	-	member of Presidential Council, National Association for Peace and Disarmament
Massimo Rogenjery	-	member of Presidential Council, National Association for Peace and Disarmament

JAPAN

Hiroshi IDE	-	Japan Peace Committee Standing Executive committee member

KAMPUCHEA

Ju Ai	-	General Secretary, Kampuchean Peace Committee
Caev Sokha	-	member, Kampuchean Peace Committee

DEMOCRATIC PEOPLES REPUBLIC OF KOREA

Pan De Ok	-	vice-president, Korean National Peace Committee
Li Yen Nam	-	secretary, Korean National Peace Committee

LAOS

Hiem Phommachanh	-	vice-president, Laos Committee for Peace,Solidarity and Friendship
Vongsavan Butsavat	-	head of the International department, Laos Committee for Peace, Solidarity and Friendship

LUXEMBOURG

Vera Spautz	-	Luxembourg Peace Committee
Daniel Thilmany	-	Luxembourg Action for Peace, Leadership Member, Luxembourg Socialist Youth

MALTA

Victor Degiovanni	-	secretary, Malta Peace and Solidarity Council

MONGOLIA

Ch. Ganbold	-	staff-member, Executive Committee of Mongolian Federation of Peace and Friendship Organisations

THE NETHERLANDS

Jan van Putten	-	Professor of political science, head of department, Free University in Amsterdam; Interchurch Peace Council
Rudolf van der Kooy	-	Stop Neutron Bomb. Stop Nuclear Arms Race
Miklos Rash	-	Deputy Chairman, Committee for European Security and Cooperation
Niko Schouten	-	Stop Neutron Bomb. Stop Nuclear Arms Race

NORWAY

Reidar Larsen	-	Norwegian Peace Committee
Karl Rikardsen	-	Social Left Party, secretary
Eva Nordland	-	Norwegian Peace Council, president
Odd Nordland	-	scientist

POLAND

Jatsek Palishewski	-	General Secretary, Polish Peace Committee
Robert Raetski	-	Deputy Director, Peace research centre
Richard Tyrluk	-	Secretary WPC

PORTUGAL

Maria da Gloria Padrao	-	Presidium member, Portuguese Council for Peace and Cooperation, Member of the Portuguese Parliament
Eugenio Cavalheiro	-	National Bureau member, Portuguese Council for Peace and Cooperation, Navy Commander (retired)
Father dr. Antonio Manuel de Sousa	-	National Committee member, Portuguese Socialist Party, Roman Catholic Father
Antonio Pedro Batista Alues de Carvalho	-	Secretariat member, Movement "No to Nuclear Weapons in Portugal"
Dr. Jose Felix Praia	-	Bureau member, Portuguese Council for Peace and Cooperation, Portuguese socialist party

RUMANIA

Leu Corneliu	-	deputy editor-in-chief, "Comtemporroaul" magazine
Ion Diku	-	head of the internationaldepartment,National Peace Committee

SPAIN

Gabriella Serra	-	Catalonian Coordinating Committee of Peace Organisations (Barcelona)
Jesus Rodes	-	General Secretary, Catalonian Peace Counsil; professor, Barcelona University;
Lucia Garcia	-	Association "Peace and Disarmament";
Miguel Jorda	-	Secretary, Spanish Committee for European Security and Cooperation
Francisco Peña	-	International Secretary, Anti-NATO Comissions;
Manuel Luengo	-	Spanish Green Party ;
Fidel Alonso	-	Association "Year 2000""
Emilio Rincon	-	Spanish Performers and Artists for Peace;
Manuel Lidon	-	UNESCO's Friends Club;
Jacobo Echeverria	-	Mouvement for Peace, Disarmament and Liberty;
Enrique Gomariz	-	Mouvement for Peace, Disarmament and Liberty;
Josep Palau	-	Mouvement "Bases out!";
Andres Ortega Clein	-	Newspaper "El Pais";

SWITZERLAND

Marta Martin	-	Swiss Peace Movement
Philipp Spillmann	-	Secretary, World Peace Council

SWEDEN

Alf Svensson	-	Christian Democratic Union, chairman
Peter Weiderud	-	The Swedish Fellowship of Reconciliation, secretary general
Ingrid Rasch	-	Women for Peace
Torsten Laxvik	-	Swedish Peace Committee, Nordic Peace Festival
Bo Virmark	-	Peace Forum of the Swedish Labour Movement

TURKEY

Halük Gerger	-	professor, international relations

U S A

Howard Frazier	-	director, "Promoting Enduring Peace"
Alice Frazier	-	co-director, "Promoting Enduring Peace"
Carol Pendell	-	Women's International League for Peace and Freedom
Louis Friedman	-	press coordinator for Volga Peace Cruise
Joanna Clees	-	"Women Strike for Peace"
Mark Solomon	-	professor, Simmons College, co-chairman, US Peace Council

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Charles Price	-	World Federalist Association
David Johnson	-	Center for Defense Information
Julie Enslow	-	"Mobilization for Survival"
David Adams	-	National Council Soviet-American Friendship
Bernadine Hayes	-	"Women's Action for Nuclear Disarmament" (WAND)
Jean Lloyd Jones	-	State Senator from Dubuque, Iowa
Audrey Mang	-	Clergy and Laity Concerned (CALC)
Martha Coleman	-	United Methodist Church
Georgianna Johnson	-	president Local 1199, Health and Hospital Workers Union
Kay Anderson	-	Assistent to president Local 1199, Health and Hospital Workers Union
David Brown	-	"Gray Panthers"
Richard Hough-Ross	-	secretary general, "US-USSR Bridges for Peace"
Edwin Johnson	-	administrator, Center for Soviet-American Dialogue
Norman Solomon	-	"International Alliance of Atomic Veterans"
Michael Owens	-	Center for Soviet-Amercan Dialogue
Glenn Alkalay	-	"International Alliance of Atomic Veterans"
Louis Dolan	-	catholic minister, leader "Movement for a Better World"

Maxwell Lipschutz	-	Committee for a Sane Nuclear Policy (SANE)
Judith Kowalok	-	War Resisters League
Richard McSorley	-	Pax Christi, director Center for Peace Studies Georgetown University
Thomas O'Rourke	-	Pax Christi
Rama Vernon	-	director, "Center for Soviet-American Dialogue"
Linda Johnson	-	assistant to director, "Center for Soviet-American Dialogue"
Richard Deats	-	director, US-USSR Reconciliation, Fellowship of Reconciliation
George Wald	-	Professor Emeritus of Biology, Nobel Laureate in Physiology
Joel Schatz	-	San Francisco-Moscow teleport
Velda Schatz	-	San Francisco-Moscow teleport
Mary Guinan	-	speaker of House, Connecticut General Assembly
William Anderson	-	professor of Clinical Psychology
Joan Chittister	-	religious superior
Jim Forest	-	General Secretary, International Fellowship of Reconciliation
Riffat Hassan	-	professor of islamic studies
Mary Arnett	-	professor of islamic studies
John Swomley	-	professor of political science and social ethics
Olive Tiller	-	associated general secretary, National Council of Churches
Joseph Weizenbaum	-	professor of computer science
Virginia Baron	-	editor, Fellowship magazine
Malcolm Boyd	-	author and episcopal priest
Andrea Aivazyan	-	Director, Peace Development Foundation

Laura Karlen	- local peace group, executive V.P.Board, member of the board, World Cultural Alliance, director of Youth in Curch School
Barbara Kindelsperger	- nurse, US-USSR Initiatives Centre
Ronald Kindelsperger	- US-USSR Initiatives Centre
W.R. Kirk	- Centre for US-USSR Initiatives
M.B.Kirk	- Centre for US-USSR Initiatives
Daniel Lehmann	- journalist
Peter Marty	- lutheran pastor, Centre for US-USSR Initiatives
Susan Marty	- Centre for US-USSR Initiatives
Barbara Rinnan	- director of Chicago Chapter, Centre for US-USSR Initiatives
Virginia Cassin	- elected municipal, Centre for US-USSR Initiatives
William Cassin	- Centre for US-USSR Inititives

UNITED KINGDOM

Frank Allaun	-	President, Labour Action for Peace, M.P.
Margaret Glover	-	International Secretary, Labour Action for Peace
Rev. Alan Race	-	Clergy Against Nuclear Arms
Dan Smith	-	Vice-Chairman, Campaign for Nuclear Disarmament
Jane Mayes	-	Chairperson International Committee, Campaign for Nuclear Disarmament
Julian Harber	-	member, Campaign for Nuclear Disarmament International Committee
Michael N.Harbottle	-	Brigadier, OBE Director, Chairman, Centre for International Peacebuilding; administrator, Generals for Peace International
Erwin Harbottle	-	Centre for International Peacebuilding
Rosemary Bechler	-	secretary, British Peace Assembly
Harold Chamings	-	East-West Committee, Quaker Peace and Service
Keith Bovey	-	Scotland-USSR Friendship Society
Kate Cameron	-	National Regions and Areas Committee, Campaign for Nuclear Disarmament
Ken Coates	-	Bertrand Russell Peace Foundation
Frank Swift	-	British-Soviet Friendship Society
Mary Brennan	-	West Midlands Campaign for Nuclear Disarmament

USSR

Main speakers

Vadim V.ZAGLADIN	- deputy head, International Department of the CPSU CC
Victor G. KOMPLEKTOV	- Deputy Minister of Foreign Affairs of the USSR
Alexander Ya. SUKHAREV	- Minister of Justice of the Russian Federation
Valentin M. FALIN	- chairman, Novosti Press Agency Board
Yuri M. LEBEDEV	- leutenant-general, Ministry of Defence of the USSR
Ivan S. KOROLYOV	- deputy director, Institute of World Economy and International Relations
Genrikh A. BOROVIK	- writer, president, Soviet Peace Committee
Vladimir N. ORYOL	- first vice-president, Soviet Peace Committee

List of participants

Valentin P. AKSILENKO	- deputy head of the International department, the USSR Academy of Sciences
Vladimir G. BARANOVSKY	- doctor of history, head of department, Institute of World Economy and International Relations of the USSR Academy of Sciences
Anatoli A. BELIAEV	- editor-in-chief, "XX Century and Peace; secretary, the Soviet Peace Committee
Ivan I. BOITSOV	- consultant, Soviet Peace Committee
Boris M. BOLOTIN	- sr. researcher, Institute of World Economy and International Relations of the USSR Academy of Sciences

Alexander E. BOVIN	- political analyst, newspaper "Izvestia"
Eugeni A. DOLMATOVSKY	- poet, vice-president, Soviet Peace Committee
Yuri G. DROZDOV	- head of department, Soviet Peace Committee
Sergei P. FEDORENKO	- candidate of history, sr. researcher, Institute of US and Canada Studies of the USSR Academy of Sciences
Vladimir I. FEDOSOV	- executive secretary, Soviet Peace Committee
Igor P. FILIN	- secretary, Soviet Peace Committee
Nikolai A. GNEVUSHEV	- sr. researcher, Institute of Oriental Studies of the USSR Academy of Sciences
Rev. Irinarkh GREDIN	- celibate priest, Russian Orthodox Church, International department
Thomas G. GRIGORIEV	- secretary, Soviet Peace Fund
Mikhail V. ILYIN	- head of department, Soviet Peace Committee
Alexander N. KALLIADIN	- doctor of history, leading researcher, Institute of World Economy and International Relations of the USSR Academy of Sciences, member of the SPC Commission on Disarmament
Valeria N. KALMYK	- vice-president, Soviet Women's Committee
Aelita K. KHODAREVA	- head of department, Soviet Peace Committee
Vladimir B. KOKASHVILI	- head of department, Soviet Peace Committee
Boris I. KOMZIN	- candidate of technical sciences, head of department, Institute of World Economy and International Relations of the USSR Academy of Sciences

Vladislav V. KORNILOV	- secretary, Soviet Peace Committee
Vasily I. KRIVOKHIZHA	- candidate of history, leading researcher, Institute of US and Canada Studies of the USSR Academy of Sciences
Michael A. KRUTOGOLOVOV	- doctor of law, professor, leading researcher, Institute of State and Law of the USSR Academy of Sciences
Alexander A. LEBEDEV	- journalist, editor, journal "New Time"
Vikenty A. MATVEEV	- political analyst, newspaper "Izvestia"; vice-president, Soviet Peace Committee
Gregory M. LOKSHIN	- secretary, Soviet Peace Committee
Rev. Vladimir NAZARKIN	- archdeacon of the Orthodox Church International department
Vadim N. NEKRASOV	- editor, journal "Communist"
Eugeni P. OSKOLSKY	- secretary, Soviet Peace Committee
Stanislav I. ROSTOTSKY	- film-producer, vice-president, Soviet Peace Committee
Alexei I. PODBERYOZKIN	- candidate of history, sr. researcher, Institute of World Economy and International Relations of the USSR Academy of Sciences, member of the SPC Commission on Disarmament
Lev S. SEMEIKO	- candidate of history, sr. researcher, Institute of US and Canada Studies of the USSR Academy of Sciences; chairman, the SPC Commission on Disarmament
Eugeni K. SILIN	- vice-president, Soviet Committee for European Security and Cooperation
Michail P. SHEIN	- consultant, Soviet Peace Committee
Gleri K. SHIROKOV	- doctor of economy, deputy director, Institute of Oriental Studies of the USSR Academy of Sciences

Viatcheslav M. SLOUZHIVOV	- head of department, Soviet Peace Committee
Vsevolod N. SOFINSKY	- Ambassador Extraordinary and Plenipotentiary of the USSR
Tair F. TAIROV	- doctor of law, head of department, Institute of World Economy and International Relations of the USSR Academy of Sciences, member of the Presidium of the SPC
Larisa N. VASILIEVA	- poetess, member, Soviet Peace Committee
Lev S. VORONKOV	- doctor of history, executive secretary, Scientific Research Council on Peace and Disarmament Problems

Representatives from local peace committees

Alexander D. ALEKSIDZE	- professor, Tbilisi State University; chairman,Georgian Peace Committee
Vladimir A. CHERNOV	- journalist, Volgograd Peace Committee
Valeri A. IEVLEV	- chairman, Toliatti Peace Committee
Ivan D. KIRICHENKO	- vice-chairman, Belorussian Peace Committee
Loretta I. IGNATAVICHENE	- vice-chairman, Lithuanian Peace Committee
Richard S. OVINNIKOV	- rector, Moscow State Institute of International Relations of the USSR Ministry of Foreign Affairs; chairman, Moscow Peace Committee
Farida I. SHAIKHATTAROVA	- vice-chairman, Tatar Peace Committee
Tatarkhan Sh. TSERETELI	- vice-chairman, Georgian Peace Committee

Metta V. VANNAS	- vice-chairman, Estonian Peace Committee
Donatas G. VEYAN	- poet, chairman, Latvian Peace Committee
Lyudmila N. VOROBIOVA	- vice-chairman, Rostov-na-Donu Peace Committee
Galina V. VOSKRESENSKAYA	- vice-chairman, Moscow Peace Committee
Mirgiyas A. ZAIDOV	- rector, Tashkent Institute of National Economy; vice-president, Soviet Peace Committee; chairman, Uzbek Peace Committee
Boris S. ZREZARTSEV	- vice-chairman, Ukranian Peace Committee

VIETNAM

Nguen Ba Ngok	-	secretary, Vietnam Peace Committee
Nguen Piong Lan	-	staff-member, Vietnam Peace Committee

WEST BERLIN

Martin Karnetzki	-	Peace Committee of West Berlin
Hilde Schramm	-	Peace Committee of West Berlin

YUGOSLAVIA

Milos Djukich	-	vice-president, League for Peace, Independence and Equality of Peoples
Branco Tsaratan	-	mem[illegible] League for Peace, Indepen[illegible]ence and Equality of Peoples

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Soviet Participants in the Third Information Meeting
of Representatives from Peace Organisations in West Europe,
the USA and Canada

YURI ZHUKOV - co-chairman of the meeting, President of the Soviet Peace Committee

LEV TOLKUNOV - co-chairman of the meeting, President of the Soviet Committee for European Security and Cooperation

ALEXANDER BOVIN - Izvestia's political news analyst

VADIM ZAGLADIN - first deputy head of the International Department of the Soviet Communist Party's Central Committee

OLEG BYKOV - Deputy Director of the Institute of World Economics and International Relations of the USSR Academy of Sciences; Philosophy Doctor (Hist.)

LEONID ILYIN - Vice-President of the Soviet Academy of Medical Sciences, Vice-President of the Soviet Committee "Physicians for the Prevention of Nuclear War" under the Presidium of the Soviet Academy of Medical Sciences

ANDREI KOKOSHIN - Deputy Director of the U.S. and Canada

ANDREI KOKOSHIN - Deputy Director of the U.S. and Canada Studies of the USSR Academy of Sciences, Philosophy Doctor (Hist.)

YURI LEBEDEV - Major-General, the General Staff of the Soviet Armed Forces

VLADIMIR PETROVSKY - head of department for international organisations of the Soviet Foreign Ministry, member of the bureau of the bureau of the Learned Council for Peace and Disarmament Problems under the Soviet Academy of Sciences and the Soviet Peace Committee, Philosophy Doctor(Hist.)

YEVGENY PRIMAKOV - Director of the Institute of Oriental Studies of the Soviet Academy of Sciences, First Vice-President of the Soviet Peace Committee, Academician

DANIIL PROEKTOR - Philosophy Doctor (Hist.), senior researcher at the Institute of World Economics and International Relations of the Soviet Academy of Sciences

LEV SEMEIKO - senior research fellow at hte Institute of U.S. and Canada Studies of the Soviet Academy of Sciences

VALENTIN FALIN - Chairman of the Board of Novosti Press
Agency

YUVENALIY
(VLADIMIR POYARKOV) - Metropolitan of Krutitsa and
Kolomna

III-rd Information Meeting-Seminar of Representatives of Peace Organizations of Western Europe, U.S.A. and Canada

(Moscow, March 15-16,1986)

List of Foreign Participants

AUSTRIA

National Coordinating Committee of Peace Organizations

Hannah Yunger - Christians for Peace

Ulrika Kauschan - Salzburg Initiative

Upper Austria Peace Movement

Petra Karlhuber

Austrian Peace Council

Peter Lautischer - Secretary

Socialist Youth of Austria

Christine Schorhuber

BELGIUM

Liege Peace Committee

G. Ninan

National Committee for Peace and Development

Jacques Oussa

Meetings for Peace (Wallony)

J.Verstappen - Coordinator

"Flemish peace organization "Vrede"

E.De Bleckere

Center of Negotiations for Peace

CANADA

Peace Research Institute-Dundas

Sally Curry - Coordinator

Science for Peace

Michael Langhier - Professor, University of Toronto

Canadian Peace Alliance

Robert Penner - Coordinator

End the Arms Race Coalition

Gary Marchant - Coordinator

Canadian Peace Congress

Bill Thompson - Executive member

Quebek Peace Council

P.Montecon - Vice-president, Educational Workers Union, Quebek

CYPRUS

Cyprus Peace Council

Christoforos Ioannidis - representative, Cyprus Peace Council

Cyprus Committee for European Security and Cooperation

Michalis Tapakudis - General Secretary

DENMARK

Liaison Committee for Peace and Security

Vilum Hansen - Chairman

National Preparatory Committee of the World Congress devoted to the International Year of Peace

Hermod Lannung - Chairman, member of the board of Radical Party; president, World Federalist Movement

Danish Center on International Worker's Movement (AIC)

Otto Dlisman - Chairman of the Commission

Greta Gramm - Editor-in-chief of "International Horizon"

Christians for Disarmament

Niki Brown - Member of the Board

Social-democrats against Nuclear Weapons and Militarism

Fritz Feldt - Member of the Board

F.R.G.

Hamburg Peace Forum

Klaus Balzer

German Peace Union

Ingrid Kurz - Member, Board of Directors

Rüdiger Wilms - Board member

Marburg Peace Forum

Friedrich Martin Balzen

Krefeldt Initiative Movement

Rainer Braun

Professional Initiatives for Peace

Jurgen Kujawa

Thomas Handel - Secretary, Youth Section of Metal Workers Union

Committee for Peace, Disarmament and Cooperation

Peter Dietzel

Dortmount Professional Peace Initiative

Uli Schmitz

Evangelical Academy, Lokkum

Jörg Calliess

Fraction of Greens in German Parliament

Jurgen Reents - MP, Disarmament expert

"Dialogue for Peace"

Eckhard Fischer - Young Federalists

Martin Schilling - Former Chairman, Young Socialists (Bonn)

Voting List for Peace

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German Trade Unions

Julius Lehlbach

Physicians for Peace

Walter Popp

Artists for Peace and Disarmament

Hans Jürgen Hessler

"Scientists-Naturalists for Peace;" Informatics for Peace and Public Responsibility

Helga Genrich

Psychologists for Peace

Anna Börner

Athlets for Peace

Birgit Palzkill

Enno Harms

SDPG Society on Educational Tourism (Bonn)

Rudolf Märker - Regional Chairman, SDPG, Bonn

Heinz Lüntz - Co-Director

German Socialist Workers Youth

Georg Eberhard

Christian Peace Service

Annet Leyh

Federal Conference of Independent Peace Groups

H.R.Herbert

FINLAND

Finnish Peace Committee

Matti Ruokola	- Chairman, Finnish Peace Committee, Director General, Social Health Core Department, Center Party
Johannes Pakaslahti	- General Secretary, Finnish Peace Committee

Finnish Committee for European Security and Cooperation

P.Paasio	- Chairman, Finnish Committee for European Security and cooperation, MP, Leader of Social Democratic Party Fraction in Parliament

Finnish Committee of Physicians Against Nuclear War

A.Samaletdin	- Chairman, Finnish Dentists Union

Finnish Performers and Artists for Nuclear Disarmament (PAND)

P.Haapasalo -	Member, PAND Board

League for Human Rights and Freedom

L.Pauku	- League board Member, Editor-in-Chief, Journalists Trade Union Bulletin

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French Peace Mouvement

M.Riussaux

CGT Trade Unions

P.Tabery

Circle for European Security

Boushakur

GREAT BRITAIN

"Quaker Peace and Service"

Peter Jarman - East-West Secretary

Mary Mc'Donagh - Officer

"Generals for Peace and Disarmament"

Brig. Michael N.Harbottle - Director, London Centre for International Peacebuilding

Erwin Harbottle - Officer, Centre for International Peacebuilding

Yorkshire and Humberside Trade Union Congress

Beryl Huffinley - Regional Secretary

"Clergy Against Nuclear Arms" (CANA)

Canon Paul Oestreicher - Chairman, CANA; Divisional Secretary, British Council of Churches; Vice-Chairman, Campaign for Nuclear Disarmament (CND)

"British Peace Assembly" (BPA)

Gordon Shaffer - Vice-President, BPA, Chairman, British Committee for European Security and Cooperation

British-Soviet Friendship Society

Frank Swift

London Region Campaign for Nuclear Disarmament (CND)

Gary Lefley - Secretary

GREECE

Movement for National Independence. World Peace and Disarmament (KEADEA)

Georgion Koumanakas - Vice-President KEADEA, General (ret.)

Greek Committee for International Detente and Peace (EEDUE)

Alkis Argiriadis - President EEDUE, pro-rector, University of Athens

National Committee "Acropolis Appeal"

Michael Stathopilos - President of the Committee, rector, University of Athens

Greek Committee for European Security and Cooperation

Gorge Sinanides - General Secretary

Iceland

Maria Thorsteindottir - Member of the Board

Ireland Republic

Irish Campaign for Nuclear Disarmament

Gerry Walsh - General Secretary

Dublin Quaker Peace Committee

Richard S.Harrison

Irish Committee for European Security and Cooperation

John Lawry - Chairman, Students Union (Belfast); Youth Federation League of Workers' Party of Ireland

ITALY

Organisation "Women Working for Peace"

Carla Frankone

Youth Union of St. Francis

Marco Primicezio

International Peace Center in Assisi (Italy)

Vincenzio Molli, vice-president of the Center

Luigi Panelli - Executive director

Scientist's Union for Disarmament

Roberto Fieski - Member of Board

Organisation "Disarmament Archiv"

Alberto Costagniola

Italian Forum for Security and Cooperation in Europe and Mideterranian

Giorgio Giovanioni - President La Pira Cultural Center

Radolfo Mechini - Vice-President World Peace Council

Christian Association of Italian Workers (ACUT)

Claudio Gentile

"Physicians for Nuclear Disarmament"

Maulio Dinucci

LUXEMBOURG

Luxembourg Peace Committee

V.Schnautz

MALTA

Peace and Solidarity Council of Malta

Joseph Kakia - Vice-President

NETHERLANDS

National Committee for European Security and Cooperation

M.Racz - Vice-Chairman

"Stop Neutron Bomb. Stop Nuclear Arms Race"

Niko Shouten - Secretary

Women Against Nuclear War

Van der Meylen - Board member

Interchurch Peace Council

Win Bartels - International Secretary

NORWAY

Norwegian Peace Committee

Roy Pedersen - Chairman

Women for Peace

Eva Nordland - Activist

PORTUGAL

Portuguese Council of Peace and Cooperation

Siles Serquiera - Secretary

"No to Nuclear Weapons in Portugal"

M.Santos (Green Party)

SPAIN

Commission "Peace and Disarmament"

M.Jorda, coordinator

UNESCO's Friends Club

M.Lidon

Anti-NATO Commissions

M.Geri

Madrid Action Committee for Peace and Disarmament

V.Peragon

National Coordination Committee of Peace Organisations

M.Pardo

Catalan Peace Committee

J.Paton

Spanish Committee for European Security and Cooperation

M.Naval

SWEDEN

Swedish Peace Council

Bo Wirmark - Member of the Board

L.G.Ekegärd -In personal capacity

Christians for Peace

L.Herngren - Member of the Board

Swedish Quakers

Herman Backman - Member of the Board

Swedish Peace Committee

Mats Ejnarsson - Member of the Board

SWITZERLAND

Swiss Peace Movement

Hans Stebler - Chairman

Social Democratic Party

Heinrich Buchbinder - Secretary, Commission for National Security Policy (in personal capacity

TURKEY

Turkish Peace Committee

Enis Coskun - General Secretary

USA

US Peace Council

Mark Allen

International Alliance of Atomic Veterans

Norman Solomon

Fellowship of Reconciliation

Virgina Baron - Member Executive Committee

Promoting Enduring Peace

Howard Frazier - Executive Director

Center for Defense Information

Captain James T.Bush USN (Ret) - Associate Director

Mobilization for Survival

Dave Hosstetter - National coordinator, Washington Peace Center

Projects for Planetary Peace

Ronald L.Mann - President of the Board of Directors

WEST BERLIN

Standing Committee for Peace and Mutual Understanding

Alternative List

Thomas Prut - the "Greens" representative

VS-VERTRAULICH
amtlich geheimgehalten

16 July 1987

ECONOMIC REPORT

TgbNr. 1361/87

Subject : USSR -
USSR Needs Extra Tanker Capacity for Exporting Oil Products

DOI : June 1987

Evaluation : B - 3

Summary:

The USSR has for months now been in possession of considerable free quantities of heating and bunker oil. For the transport of these products, four medium-sized tankers were chartered "covertly" in June 1987. The Soviets have moreover secured options for another four similarly-sized tankers.

Report:

1. The Western petroleum industry is surprised to learn that the Soviet Union has for months been in possession of considerable free quantities of heating and bunker oil. Soviet functionaries say that these amounts have partly been taken from current Soviet delivery commitments to CMEA (Council for Mutual Economic Assistance) partners.

2. Apparently for shipping these free quantities, VO NAFTA, Moscow, chartered "covertly" in early June 1987 through British agents of the UK branch of VO NAFTA two medium-sized (abt. 9000 tdw) tankers each flying the Norwegian and Yugoslav flags, respectively. The tankers were chartered without time limit on the basis "for orders", i.e., loading and unloading ports are not normally known at the beginning of the journey and are radioed to the ship route. This may facilitate possible manipulations with cargo documents.
   VO NAFTA, Moscow, has meanwhile secured options for another four medium-sized tankers.

Comment:

1. The chartering of extra oil-product tankers shows that the Soviet efforts at further increasing oil product exports to Western Europe in 1987 - which became known earlier this year - are apparently a fact.

2. This office has not been able to find out whether the cuts in oil-product deliveries to CMEA partners were made with the latter's consent (lower consumption in some countries than planned) or arbitrarily by the Soviet Union in order to increase hard-currency revenues. No complaints by CMEA countries about Soviet delivery cuts have become known to date.

ENLACE ALEMAN ... SRI LANKA

INFORMACION SINTETICA DEL CONTENIDO DE LA DOCUMENTACION PRECEDENTE

Título: ECONOMIA MUNDIAL A FINES DE 1986 Y PRINCIPIO DE 1987
Subtítulo: S I R I L A N K A
Autor: Rainer Henseleit

Datos estadísticos: Superficie,población,densidad de población,pesas y medidas,idiomas,importaciones totales y de la BRD,exportaciones totales y de la BRD.-
Cambio con relación al Marco Alemán al 12/86 (curso medio)
1 DM = SLR 14.10

En todo el informe que se sintetiza y se analiza acorde a la situación política,se hacen pocas o ninguna mención objetiva y real.-

Se informa: por ej. "que la economía de Siri Lanka se ha mantenido aún en el 4o.año de la crisis política,en un 4 al 5% de crecimiento"
"El conflicto etnico ha ejercido,en el proceso económico,una influencia importante pero mas bien indirecta.-
No obstante no puede ser subestimado este factor,ya que mina la confianza en el futuro político del pais y la estabilidad del gobierno.-
El éxito del Gobierno JAYEWARDENE es medido en forma creciente en el hecho,si logra dominar el separatismo tamilista.-
Es evidente que el Partido Freedom de Siri Lanka,bajo la conducción de la anterior Jefa de Gobierno BANDARANAIKE gana en apoyo.-
Si el conflicto étnico 1986 se ha acercado a una solución,es puesto en duda por los observadores.-
Por un lado,los grupos tamilistas militantes han podido afirmar su influencia en la provincia norteña,que han podido asumir preponderantemente la administración civil.-
Por el otro, en la finalización de año, han demostrado por primera vez señales de disposición para un entendimiento.-
En Colombo, se ha expresado la esperanza, que la actitud de la India pueda inducir a los separatistas a situación mas realista.-
La economía de Siri Lanka necesita la paz.-
El aumento de las cargas de la Defensa han provocado el deterioro aún mayor del deficit presupuestal

COMO SE CONSTATA NO HAY REFERENCIA DIRECTA A ENFRENTAMIENTOS MILITARES NI A DISTURBIOS POPULARES,AUN CUANDO INDIRECTAMENTE PUEDEN DEDUCIRSE

Los capítulos DESARROLLO ECONOMICO,PRECIOS DINEROS Y CREDITOS,FINANZAS PUBLICAS Y DESARROLLO,ECONOMIA AGRARIA,COMERCIO EXTERIOR Y TURISMO, RELACIONES CON LA BRD no aportan elementos nuevos a los fines que en el momento nos interesan.-

En el capítulo de PERSPECTIVAS, según los observadores, una serie de medidas politico-económicas llevarán al pais a un curso de estabilidad económica en el año 1987.-
No obstante estas medidas serán infructuosas,si no se consigue restablecer la Paz y el Orden en el país.
De la misma manera que la continuación de la crisis politica no aruinara al pais a corto plazo...como opina el Ministro de Finanzas,tampoco la solución del conflicto conduciría automaticamente a la prosperidad.-

ESTO ES EN APRETADA SINTESIS LO QUE DE ESTE INFORME SE PUEDE EXTRACTAR A LOS FINES QUE NOS INTERESA EN LA ACTUALIDAD

Tte.Cnel.Diether Herter
Montevideo,Diciembre 11 de 1987

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Weltwirtschaft am Jahreswechsel 1986/87

Sri Lanka

Von Rainer Henseleit

Sri Lanka

Oberfläche:	65 610 qkm
Bevölkerung:	16,07 Mio. Einw. (Schätzung Mitte 1986)
Bevölkerungsdichte:	245 Einw./qkm
Hauptstadt:	Colombo (ca. 2,0 Mio. Einw.)
Maße und Gewichte:	metrisches System
Korrespondenzsprachen:	Englisch Singhalesisch Tamil
Gesamtimport:	49 060 Mio. SLR¹) 24 662 Mio. SLR²)
davon aus der Bundesrepublik Deutschland:	2 675 Mio. SLR¹) 1 161 Mio. SLR²)
Gesamtexport:	34 238 Mio. SLR¹) 14 892 Mio. SLR²)
davon in die Bundesrepublik Deutschland:	1 868 Mio. SLR¹) 1 034 Mio. SLR²)

¹) 1985
²) 1. 1. 86 – 30. 6. 86

Quelle: Angaben der Zollverwaltung Sri Lankas

Wechselkurs:
1 DM = 14,10 SLR
(Mittelkurs zwischen Banken am 16. 12. 86)

Die Wirtschaft Sri Lankas hat sich 1986 auch im vierten Jahr der politischen Krise des Landes mit einem durchschnittlichen Wachstum von rd. 4 % nach 5 % im Vorjahr erstaunlich gut gehalten. Einen wesentlichen Einfluß auf die Abschwächung des Wirtschaftswachstums hatten Witterungseinflüsse, die zu einer Stagnation der landwirtschaftlichen Produktion führten. Negative Auswirkungen hatte auch der Preisverfall der Hauptausfuhrgüter. Daneben spielte der ethnische Konflikt für den Wirtschaftsprozeß eine wichtige, wenn auch eher indirekte Rolle. Dennoch kann dieser Faktor nicht unterschätzt werden, da er das Vertrauen in die politische Zukunft des Landes und die Stabilität der Regierung untergräbt.

Der Erfolg der Regierung Jayewardene wird zunehmend daran gemessen, ob es ihr gelingt, den tamilischen Separatismus einzudämmen. Unübersehbar ist, daß die Sri Lanka Freedom Party unter der früheren Regierungschefin Banderanaike an Unterstützung gewinnt. Ob der ethnische Konflikt 1986 einer Lösung nähergekommen ist, wird von Beobachtern bezweifelt. Einerseits haben militante tamilische Gruppen ihren Einfluß in der Nordprovinz soweit gefestigt, daß sie dort weitgehend die zivile Administration übernehmen konnten. Andererseits haben sie zum Jahreswechsel erstmalig wohl Anzeichen zur Verständigungsbereitschaft gezeigt. In Colombo wird die Hoffnung ausgedrückt, daß auch die Haltung Indiens die Separatisten zu einer realistischeren Einstellung bewegen könnte.

Sri Lankas Wirtschaft braucht den Frieden. Die bereits früher sichtbaren ökonomischen Gefahrensignale haben sich 1986 deutlich verstärkt. Das sinkende Vertrauen in die wirtschaftliche Zukunft des Landes manifestierte sich in einer ganz offensichtlich abnehmenden Investitionsneigung des privaten Sektors. Ein Ausgleich durch erhöhte staatliche Investitionen war wegen der angespannten Haushaltslage nicht möglich. Die zunehmenden Verteidigungslasten haben das Budgetdefizit in eine Höhe getrieben, die die Geldwertstabilität gefährdet. Verstärkt werden diese negativen Tendenzen durch außenwirtschaftliche Entwicklungen. Sinkende Preise für die Hauptausfuhrgüter ließen Exporterlöse schrumpfen, während gleichzeitig die Zins- und Rückzahlungsverpflichtungen für die Auslandsschulden steil anstiegen.

Um diesen Trend umzukehren, bedarf die Wirtschaft dringend neuer Anstöße. Einerseits müssen Anstrengungen unternommen werden, das Leistungsbilanzdefizit zu vermindern, andererseits müssen der Anteil der Auslandsfinanzierung im Verhältnis zum Bruttosozialprodukt sowie das Budgetdefizit reduziert werden. Die Erreichung dieser Ziele, die vom Finanzminister im Rahmen der mittelfristigen Wirtschaftspolitik angestrebt wird, setzt jedoch ein stetiges Wachstum der Produktion und der Exporte voraus, wenn das liberale Wirtschaftssystem des Landes erhalten werden soll.

Ob das gelingt, hängt jedoch nicht alleine von Sri Lanka ab. Auch stärkere Volkswirtschaften kommen in Schwierigkeiten, wenn die Preise für ihre traditionellen Hauptexportprodukte innerhalb Jahresfrist um bis zu 50 % (berechnet in Sonderziehungsrechten) fallen und wenn diesen Ländern durch Quotensysteme Exportchancen in nicht-traditionellen Bereichen beschnitten werden.

Gesamtwirtschaftliche Entwicklung

Das reale *Bruttoinlandsprodukt (BIP)* Sri Lankas erhöhte sich 1986 um rd. 4,0 %, wie der Finanzminister in seiner Budgetrede erklärte. Obwohl dieser Zuwachs deutlich unter dem Vorjahreswert von rd. 5,0 % liegt, ist er angesichts der widrigen Umstände doch bemerkenswert, meinen Beobachter. Während 1985 das Wirtschaftswachstum im wesentlichen noch durch ein Rekordergebnis in der Landwirtschaft getragen wurde, stagnierte dieser Sektor 1986 aufgrund ungünstiger Wetterbedingungen. Auch vom Außenhandel gingen keine positiven Anstöße aus, da die Preise für die Hauptausfuhrgüter des Landes im Durchschnitt eine negative Tendenz aufwiesen.

Auch die Einnahmen aus dem Reiseverkehr bewegten sich weiterhin auf dem niedrigen Niveau des Vorjahres. Zudem ging ein wesentlicher Teil der Deviseneinnahmen durch den Schuldendienst, der nach Angaben des Finanzministers 1986 über 30 % der Einnahmen aus der Ausfuhr von Waren und Dienstleistungen aufzehrte, dem inländischen Wachstumsprozeß verloren.

Der Abwertungsdruck auf die Währung des Landes, der sich bereits in den Vorjahren bemerkbar machte, setzte sich aufgrund dieser Entwicklung auch 1986 fort. Gegenüber dem US-Dollar sank der Wert der *Sri-Lanka-Rupie in den ersten drei Quartalen* 1986 um 3,4 %, gegenüber der D-Mark um 26,4 %.

Das Investitionsklima war 1986, soweit sich aus den vorliegenden Angaben ersehen läßt, ebenfalls gedrückt. Neben den stagnierenden staatlichen Investitionen wurde ein Rückgang der privaten inländischen und ausländischen Investitionen verzeichnet. Dennoch war das Wachstum 1986 im wesentlichen von der Industrie und vom Bergbau getragen. Für beide Bereiche errechnet sich eine Wachstumsrate von rd. 7,5 %, für die Industrie allein von ca. 6,0 %.

Allerdings zeigten sich auch in diesen Sektoren die Auswirkungen der Vertrauenskrise. Die Wachstumsrate der Produktion der privaten Unternehmen lag mit maximal 8,0 % weit unter dem Vorjahreswert von rd. 20,0 %. Die Wachstumsrate der staatlichen Industrie von 4,0 % ist im wesentlichen auf den ununterbrochenen Betrieb der staatlichen Raffinerie zurückzuführen.

Die Verlangsamung der wirtschaftlichen Aktivität spiegelte sich in der Entwicklung des monetären Sektors wider. Trotz einer nahezu gleichbleibenden Geldmenge wurden 1986 sowohl sinkende Zinsen als auch eine ausreichende Liquiditätsposition des Bankenapparates beobachtet. Das Preisniveau, das im Vorjahr weitgehend stabil geblieben war, zeigte 1986 trotz der stabilen Geldmenge wieder eine steigende Tendenz. Zwar läßt sich die Höhe der Inflationsrate für das Gesamtjahr noch nicht endgültig festlegen, doch dürfte sie, gemessen an den Lebenshaltungskosten, nach Ansicht von Fachleuten 1986 nur knapp unter 10,0 % gelegen haben.

Bei einem realen Wachstum von 4,0 % erreichte das BIP zu konstanten (1982) Faktorkosten 1986 rd. 113,95 Mrd. SLR, zu lfd. Faktorkosten 168,84 Mrd. SLR. Da der Anstieg der Bevölkerung 1986 auf 1,5 % geschätzt wurde, erhöhte sich das Realeinkommen pro Kopf um rd. 172 SLR auf ca. 7 091 SLR, während das Nominaleinkommen um 1 071 auf 10 506 SLR anstieg (vgl. Tabelle 1, wie alle folgenden im Tabellanhang).

Preise, Geld und Kredit

Im Gegensatz zum weitgehend stabilen Preisniveau im Vorjahr wurde 1986 wieder eine schnellere Drehung der Inflationsspirale verzeichnet. Uneinigkeit besteht im wesentlichen über die Höhe des Preisanstiegs. Während der offizielle Großhandelspreisindex für die ersten acht Monate des Jahres noch einen Rückgang um 0,3 % zeigte, gab Finanzminister de Mel den Preisanstieg für 1986 mit rd. 7,0 % an. Der Index der Lebenshaltungskosten erhöhte sich in den ersten acht Monaten um 6,1 %, in den ersten zehn Monaten um 6,7 % und gegenüber dem Vergleichsmonat des Vorjahres (Oktober) um 11,6 %. Da die offiziellen Indizes eine Reihe von Produkten mit staatlich administrierten Preisen, die am Markt nicht in ausreichenden Mengen verfügbar sind, enthalten, unterschätzen sie den tatsächlichen Preisanstieg in der Regel.

Der Inflationsdruck ist im wesentlichen wohl auf die Ernteausfälle bei Hauptnahrungsmitteln zurückzuführen. Auch die hohen Defizite der Staatshaushalte 1985 und 1986 dürften den Preisanstieg gefördert haben. Ohne Einfluß auf die Preise blieb 1986 die Entwicklung der Geldmenge. Zwar stieg die Zentralbankgeldmenge in den ersten acht Monaten um rd. 11,5 %, doch wurde diese Zunahme durch einen Rückgang der Sichteinlagen teilweise ausgeglichen. Da auch die Termin- und Spareinlagen (– 2,1 %) zurückgingen, erhöhte sich die weitgefaßte Geldmenge M2 lediglich um 0,7 % auf 48,8 Mrd. SLR.

Vergleichbar dem Geldangebot entwickelte sich die Geldnachfrage. Die Inlandskredite, die in den ersten acht Monaten 1985 noch um 9,2 % gestiegen waren, erhöhten sich im selben Zeitraum 1986 nur um 2,9 % auf 60,9 Mrd. SLR. Im wesentlichen ist diese geringe Zunahme auf die Zurückhaltung des Staates bei der Kreditaufnahme (+ 5,2 %) zurückzuführen. Allerdings dürfte sich diese Situation in den letzten Monaten des Jahres aufgrund erhöhter Mittelanforderungen geändert haben. Gedrückt war in den ersten acht Monaten auch die Kreditnachfrage des privaten Sektors (+ 1,7 %), was einerseits auf das stagnierende Importvolumen, andererseits auf das unbefriedigende Investitionsklima zurückgeführt wird (vgl. Tabelle 3).

Öffentliche Finanzen, Entwicklung

Der Haushalt des Jahres 1986 entwickelte sich ungünstiger als der Finanzminister ursprünglich angenommen hatte. Auf der Ausgabenseite mußten 6 200 Mio. SLR mehr als vorausgesehen bereitgestellt werden. Von den Zusatzausgaben entfielen allein 2 800 Mio. SLR auf den Verteidigungshaushalt. Insgesamt erhöhten sich die vorgesehenen Ausgaben somit von 68 225 Mio. SLR auf rd. 74 500 Mio. SLR. Durch eine allgemeine Ausgabenkürzung von rd. 5 % wurden die Staatsausgaben dem Finanzminister zufolge jedoch auf rd. 69 160 Mio. SLR begrenzt.

Die Einnahmen wurden dagegen im wesentlichen durch den Preisverfall für wichtige Produkte des Landes sowie die Unruhen im Norden und Osten des Landes beeinträchtigt. Diese negativen Effekte wurden jedoch durch gestiegene Abschöpfungen aus der Einfuhr und Verarbeitung von Erdöl überkompensiert, so daß die revidierten Einnahmeschätzungen um 1 400 Mio. SLR über den ursprünglichen Budgetannahmen lagen. Dennoch stieg das Budgetdefizit gegenüber den ursprünglichen Schätzungen um rd. 1 685 Mio. auf 28 670 Mio. SLR an.

Schwerer wiegt, daß es dem Finanzminister nicht gelungen ist, dieses Defizit weitgehend nachfrage- und somit preisneutral zu finanzieren. Der ungedeckte Teil des Fehlbetrags, der geldmengen- und preiswirksam durch Bankkredite finanziert werden mußte, erhöhte sich auf 6 738 Mio. SLR.

Obwohl bereits 1986 die Entwicklungsausgaben gegenüber dem Vorjahr sich nur mäßig erhöhten – nach Abzug der Verteidigungsausgaben sogar zurückgingen – ist für 1987 mit 33 000 Mio. SLR eine Stagnation (nach Abzug der Schuldenamortisation) dieses Budgetteils vorgesehen. Da gleichzeitig der Finanzminister erneut seine Kollegen aufforderte, ihre Entwicklungsausgaben zu strecken, könnte der bereits niedrigere Ansatz im Verlauf des Jahres sogar noch unterschritten werden. Vom Ent-

wicklungsbudget ist daher kein Anstoß für die Investitionstätigkeit zu erwarten.

Für neue Entwicklungsprojekte waren im Haushalt 1986 insgesamt 1 587 Mio. SLR vorgesehen. Im Budget 1987 sollen für neue Vorhaben 2 154 Mio. SLR ausgegeben werden. Von Bedeutung ist in diesem Zusammenhang insbesondere das Staudamm- und Wasserkraftwerksprojekt Rantambe, das in Kooperation mit der Bundesrepublik Deutschland durchgeführt wird.

Dem vorgesehenen Anstieg der laufenden Ausgaben von 35 541 Mio. auf 37 050 Mio. SLR steht 1987 zwar ein Anstieg der geplanten Einnahmen von 40 488 Mio. auf 44 115 Mio. SLR gegenüber, doch verringert sich dadurch das gesamte Defizit gegenüber den revidierten Vorjahreswerten nur von 28 671 Mio. auf 26 185 Mio. SLR. Von diesem Fehlbetrag sollen 15 215 Mio. SLR durch Zuschüsse und Kredite aus dem Ausland sowie 7 500 Mio. SLR durch inländische Anleihen gedeckt werden. Damit verbleibt ein weiterhin bedenklich hoher Anteil von 3 470 Mio. SLR für reine Kreditfinanzierung (vgl. Tabelle 4).

Für die Dreijahresperiode 1987 – 89 sieht der Finanzminister eine stufenweise Reduzierung des Defizits vor. Diese Verringerung ist vor allem deshalb erforderlich, weil die überwiegende Finanzierung des Fehlbetrags durch Auslandsmittel inzwischen zu einer Schuldendienstrate von rd. 30 % geführt hat. Diese Quote kann ohne ernsthafte Gefahr für die wirtschaftliche Stabilität des Landes kaum noch weiter erhöht werden. Da sowohl bei den Einnahmen kaum Erhöhungen und bei den Entwicklungsausgaben kaum Verminderungen im Verhältnis zum BIP möglich sind, muß die Sanierung im wesentlichen über Einsparungen bei den laufenden Ausgaben erfolgen. Eine besondere Rolle spielen in diesem Zusammenhang die Umstrukturierung, Schließung und Privatisierung verlustbringender Staatsunternehmen. Einige Schritte in diese Richtung wurden bereits 1986 unternommen.

Landwirtschaft

Das landwirtschaftliche Ergebnis wurde 1986 vor allem durch ungünstige Witterungsbedingungen negativ beeinflußt. Insbesondere die für die Versorgung des Landes wichtige Reiserzeugung litt jedoch auch unter den politischen Unruhen im Norden und Osten des Landes, die sowohl Produktion als auch Transport beeinträchtigten. Insgesamt dürfte nach Ansicht von Fachleuten mit einem lediglich marginalen Anstieg der landwirtschaftlichen Erzeugung zu rechnen sein.

Bei der Reiserzeugung wird für das Gesamtjahr 1986 mit einem Rückgang um 7,0 % auf 119 Mio. bushels gerechnet. Die Teeproduktion im Gesamtjahr 1986 wird von Fachleuten auf ca. 210 Mio. kg, ca. 2,0 % weniger als im Vorjahr, geschätzt. Von dem Rückgang dürften den Detailangaben für die ersten acht Monate des Jahres zufolge hauptsächlich die mittleren Lagen betroffen sein. Für die Kokosnußernte, die 1985 um rd. 52,0 % zunahm, wird mit einem Zuwachs um 8,0 % auf 3,2 Mrd. Nüsse gerechnet. Auch die Kautschukproduktion, die 1985 um rd. 2,8 % abnahm, hat 1986 vorläufigen Schätzungen zufolge um 4,0 % auf 143,0 Mio. kg zugenommen. Allerdings deuteten die bisher vorliegenden statistischen Daten für die ersten fünf Monate eher auf einen Rückgang hin.

Bei den sog. minor crops, über die keine separaten Statistiken geführt werden, wird ebenfalls mit einem geringfügigen Anstieg gerechnet. Das Produktionsergebnis des Fischereisektors, das durch Sicherheitsmaßnahmen im nördlichen Küstenbereich der Insel beeinträchtigt wird, dürfte den Angaben für die ersten acht Monate zufolge 1986 um bis zu 30,0 % unter dem Vorjahresergebnis liegen. Auch bei der Produktion von Tierfutter, die statistisch nur unzureichend erfaßt wird, ist mit einem merklichen Rückgang zu rechnen. Die Abnahme des Kunstdüngerverbrauchs in den ersten drei Quartalen um rd. 3,0 % auf 317 000 t ist im wesentlichen eine Konsequenz der ungünstigen Wetterbedingungen (vgl. Tabelle 5).

Industrie, Energie

Der industrielle Sektor Sri Lankas erhöhte, vorläufigen Berechnungen zufolge, 1986 seine Erzeugung um 5,0 – 6,0 %. Dieses Ergebnis ist nach den Vorjahresresultaten in mehrfacher Hinsicht enttäuschend. Der Privatsektor, der rd. 40 % der industriellen Produktion des Landes erstellt und 1985 ein Wachstum von rd. 20 % aufwies, nahm 1986 lediglich um rd. 8,0 % zu. Die Verringerung der Wachstumsrate reflektiert sowohl nach Ansicht des Finanzministers als auch der Industrie- und Handelskammer in Colombo das sich aufgrund des anhaltenden ethnischen Konflikts verschlechternde Wirtschaftsklima im Lande.

Der staatliche Industriesektor wies 1986 die für diesen Bereich stolze Wachstumsrate von 4,0 % auf. Diese ist jedoch zur Hälfte der staatlichen Raffinerie (die 54 % des staatlichen Industriesektors ausmacht) zu verdanken. Diese Anlage wird alle zwei Jahre zwei Monate für Wartungs- und Überholungsarbeiten stillgelegt. Die letzte Wartungsphase wurde 1985 eingelegt. Bleibt die Raffinerie unberücksichtigt, so betrug das industrielle Wachstum im staatlichen Industriesektor kaum mehr als 2,0 %. Die Industrieindikatoren für die ersten sieben Monate des Jahres hatten ein weitaus besseres Ergebnis erwarten lassen. Für das 1. Halbjahr hatte die Zentralbank noch ein Produktionsplus der Staatsindustrie von rd. 18,0 % angegeben.

Unter den Hilfsgrößen für die Abschätzung der industriellen Aktivität zeigte der Stromabsatz des Ceylon Electricity Board im 1. Halbjahr 1986 eine Zunahme von rd. 9,0 %. Der Stromverbrauch der Industrie allein hatte im 1. Quartal 1986 um rd. 10,6 % zugenommen. Die Elektrizität wird inzwischen praktisch ausschließlich aus Wasserkraft erzeugt. Daraus begründet sich auch der Rückgang von Industriebrennstoffen um rd. 8,0 % in den ersten drei Quartalen (vgl. Tabelle 6).

Außenhandel, Tourismus

Die außenwirtschaftliche Situation wurde vom Finanzminister in seiner Budgetrede für 1986 geringfügig besser eingeschätzt als im Vorjahr. Diese Sichtweise wird durch das bisher vorliegende Material nicht gestützt. Durch den Wertverlust der Landeswährung ergeben sich zudem erhebliche Unterschiede, je nachdem, ob die Berechnungen in SLR oder den relativ neutralen Sonderziehungsrechten (SZR) durchgeführt werden. Die Ausfuhren Sri Lankas gingen in den ersten acht Monaten 1986 gegenüber der Vergleichsperiode des Vorjahres um 6,75 % auf 21 200 Mio. SLR oder um 22,0 % auf 658 Mio. SZR zurück. Deutlicher wird der Unterschied bei den Importen, die in SLR berechnet um 5 % auf 32 767 Mio. SLR zu- oder in SZR um 12 % auf 1 161 Mio. abnahmen. Das Handelsbilanzdefizit erhöhte sich dementsprechend in diesem Zeitraum um 37,4 % auf 11 567 Mio. SLR oder um 14,7 % auf 360 Mio. SZR.

Die Verminderung der Exporterlöse war hauptsächlich auf das schlechte Abschneiden der Agrarprodukte, die knapp die Hälfte der gesamten Ausfuhrerlöse Sri Lankas ausmachen, zurückzuführen. Besonders betroffen von dem Rückgang waren die Teeausfuhren, für die das Land mit 5,54 Mrd. SLR rd. 29,0 % weniger erlöste als im Vergleichszeitraum des Vorjahres, obwohl das Ausfuhrvolumen um 5,7 % auf 105,3 Mio. kg zunahm.

Noch ausgeprägter zeigte sich diese Entwicklung bei Kokosnüssen einschließlich Kopra, Kokosnußöl usw. Der Exporterlös für diese Produkte ging um 14,7 % auf 1,62 Mrd. SLR zurück, obwohl im angegebenen Zeitraum das Exportvolumen um 107,2 % auf 690 Mio. Nüsse bzw. deren Äquivalent anstieg. Lediglich bei Kautschuk war der Erlösrückgang um 4,9 % auf 1,68 Mrd. SLR von einer Verminderung des Ausfuhrvolumens um 16,7 % auf 63,6 Mio. kg abhängig.

Die Industrieexporte entwickelten sich dagegen, in Inlandswährung gerechnet, positiv, mußten in SZR jedoch auch einen Rückgang hinnehmen. Je nach Berechnungsart erhöhten sich

die Ausfuhren um 8,2 % auf 9,93 Mrd. SLR oder verminderten sich um 9,9 % auf 308,4 Mio. SZR. Bleiben allerdings die Erdölprodukte, deren wertmäßiger Ausfuhrrückgang durch Einsparungen beim Importwert mehr als überkompensiert wurde, außer Betracht, so erhöhte sich die industrielle Ausfuhr um 21,3 % auf 8,23 Mrd. SLR oder um 1,0 % auf 255,5 Mio. SZR.

Bei den Textilexporten, die immer noch den Hauptteil der Industrieausfuhren bilden, wurde der stürmische Aufschwung der früheren Jahre durch das Quotensystem gebremst. Diese Exporte nahmen lediglich noch um 5,9 % auf 5,64 Mrd. SLR zu. Dagegen scheinen die Ausfuhren von Edelsteinen, die in den letzten Jahren stark abgenommen hatten, wieder kräftig zuzunehmen. Der Exportwert dieser Produktkategorie erhöhte sich um 31,9 % auf 0,46 Mrd. SLR.

Der Anstieg der Einfuhren um 5,2 % auf 32,77 Mrd. SLR (in SZR ein Rückgang um 12,3 % auf 1 017,5 Mio.) im angegebenen Zeitraum ist im wesentlichen auf die Erhöhung der Konsumgüterimporte um 10,4 % auf 9,4 Mrd. SLR zurückzuführen. Der Rückgang der Einfuhr von Zwischenprodukten um 9,8 % auf 13,91 Mrd. SLR ist im wesentlichen eine Folge des Erdölpreisverfalls. Zu Bedenken Anlaß könnte jedoch geben, daß die Einfuhren von Maschinen und Ausrüstungen im Betrachtungszeitraum um 2,1 % auf 2,86 Mrd. SLR, in SZR berechnet sogar um 18,4 % auf 88,7 Mio. zurückgingen (vgl. Tab. 7).

Das Defizit des Warenhandels, das im 1. Halbjahr 1986 gegenüber der Vergleichsperiode des Vorjahres um 16,3 % auf 9,86 Mrd. SLR anstieg, wurde durch die Zunahme des Fehlbetrags in der Dienstleistungsbilanz um 89,4 % auf 2,17 Mrd. SLR noch verstärkt. Auf das Ergebnis des Dienstleistungsverkehrs wirkte sich besonders negativ aus, daß die Erträge aus dem Reiseverkehr weiterhin gedrückt blieben. Zwar hatte sich bei den Touriszahlen zu Anfang des Jahres eine hoffnungsvolle Tendenz abgezeichnet, doch wurde diese Entwicklung im Frühsommer durch den Anschlag auf ein Düsenflugzeug in Colombo wieder abgebrochen. Eine Besserung ist im Gesamtjahr nicht zu erwarten, wie sich aus den Belegungszahlen der großen Hotels schließen läßt.

Auf der Ausgabenseite machen sich steigende Zahlungen für Auslandskapital (+ 20,6 % auf 3,35 Mrd. SLR), denen kaum entsprechende Einnahmen gegenüberstehen, negativ bemerkbar. Die Nettoeinnahmen aus den privaten unentgeltlichen Übertragungen, die in den letzten Jahren hohe Zuwachsraten aufgewiesen hatten, stagnierten im Betrachtungszeitraum, die öffentlichen Übertragungen nahmen sogar ab. Aus der Summe dieser Entwicklungen ergab sich eine bedenkliche Erhöhung des Defizits der Bilanz der laufenden Posten um 76,3 % auf 6,97 Mrd. SLR.
Obwohl sowohl die öffentliche als auch die private Kapitaleinfuhr im Durchschnitt um 40,3 % auf 13,29 Mrd. SLR zunahmen, konnte die Erhöhung des Überschusses der Kapitalbilanz um 68,9 % auf 6,83 Mrd. SLR den Fehlbetrag der laufenden Bilanz nicht vollständig ausgleichen. Die Devisenreserven verminderten sich nach der Berücksichtigung von Wertberichtigungen und statistischen Fehlern im 1. Halbjahr 1986 um rd. 1,09 Mrd. SLR (vgl. Tabelle 8).
Bis Ende August verminderten sich die gesamten Devisenreserven (brutto) Sri Lankas um 3,5 % auf 17,73 Mrd. SLR, nachdem sie im Vorjahr nahezu konstant geblieben waren. Um Sri Lanka bei der Lösung seiner außenwirtschaftlichen Probleme und bei der Durchführung seines Entwicklungsprogrammes zu unterstützen, hat das Sri Lanka Aid Consortium für 1986 finanzielle Hilfe über 703 Mio. $ zugesagt. Damit ist jedoch noch nicht das drängender werdende Problem der Auslandsverschuldung, die sich im Verlauf der ersten acht Monate dieses Jahres um 21,2 % auf 81,99 Mrd. SLR erhöhte, gelöst.

Beziehungen zur Bundesrepublik Deutschland

Die Wirtschaftsbeziehungen zwischen der Bundesrepublik Deutschland und Sri Lanka sind gut. Im Rahmen des Abkommens über Finanzielle und Technische Kooperation, das im Mai in Colombo unterzeichnet wurde, wurde zur Finanzierung des Wasserkraftprojekts Rantembe endgültig ein Mischkredit über 230 Mio. DM, bestehend aus Mitteln der Finanziellen Zusammenarbeit in Höhe von 120 Mio. DM, die über eine Vierjahresperiode (1986 – 89) verteilt werden sollen, und einem Exportkredit der KfW über 110 Mio. DM zugesagt. Der letzte Auftrag für das Projekt, eine 50-MW-Turbine, wurde Mitte Dezember 1986 vergeben.

Für die Technische Kooperation wurden für 1986 insgesamt 13 Mio. DM zur Verfügung gestellt. Diese Mittel fließen überwiegend in Ausbildungs-, Agrar- und Eisenbahnprojekte.

Der Handel zwischen den beiden Ländern entwickelte sich den Angaben der srilankischen Zollverwaltung für das 1. Halbjahr 1986 zufolge für den Inselstaat besonders günstig. Während Sri Lanka im 1. Halbjahr 1985 im Handel mit der Bundesrepublik Deutschland noch ein Defizit von 275,4 Mio. SLR aufwies, erwirtschaftete es im 1. Halbjahr 1986 nur noch einen Fehlbetrag von 127,4 Mio. SLR. Die Einfuhren aus der Bundesrepublik Deutschland erhöhten sich in diesem Zeitraum geringfügig von 1 138,3 Mio. auf 1 161,5 Mio. SLR, während die Ausfuhren von 862,8 Mio. auf 1 034,1 Mio. SLR zunahmen.

Ausblick

Im Jahre 1987 dürfte in Sri Lanka eine Reihe von wirtschaftspolitischen Entscheidungen, die die Wirtschaft des Landes wieder auf einen stabilen Kurs bringen sollen, zu erwarten sein, meinen Beobachter. Alle Bemühungen können jedoch nur dann erfolgreich sein, wenn es gelingt, im Lande wieder Ruhe und Ordnung herzustellen. Zwar wird ein Anhalten der politischen Krise das Land nicht kurzfristig ruinieren, wie der Finanzminister meint, doch wird eine Lösung des Konflikts auch nicht automatisch zur Prosperität führen.

Vordringlich für die Regierung wird es sein, die Entwicklung des Außenhandels zu korrigieren, das Budget zu sanieren und das industrielle Wachstum zu fördern. Im Außenhandelssektor kündigte Finanzminister de Mel an, daß der Wechselkurs im Sinne der Verbesserung der internationalen Wettbewerbsfähigkeit gesteuert werden solle. Diese Aussage läßt eine weitere Abwertung der Rupie erwarten. Darüber hinaus sollen verschiedene Maßnahmen zur Förderung des Exports – insbesondere nicht-traditioneller Produkte – und der Importsubstitution in Angriff genommen werden. Um die Schuldendienstposition nicht weiter zu verschlechtern, will die Regierung Genehmigungen für die Aufnahme kommerzieller Auslandskredite nur noch in eng begrenzten Ausnahmefällen erteilen.

Zur Förderung des industriellen Wachstums, das für die Absorption des wachsenden Arbeitskräftepotentials erforderlich ist, soll noch 1987 eine neue Industriepolitik verabschiedet werden. Um die hohen Budgetdefizite abzubauen, wird 1987 – 89 das staatliche Investitionsvolumen nur geringfügig ausgedehnt werden. Neue Projekte sind kaum vorgesehen, das Schwergewicht soll vielmehr auf Erhaltungsinvestitionen gelegt werden. Staatsbetriebe, die sich vielfach als Belastung für das Budget erwiesen haben, sollen je nach Prüfung im Einzelfall rationalisiert, privatisiert oder geschlossen werden.

Die laufenden Ausgaben im Haushalt, die gegenwärtig rd. 22,0 % des BIP betragen, sollen im Verlauf der nächsten drei Jahre auf rd. 18,5 % des BIP reduziert werden. Abgerundet werden soll dieses Programm durch eine voraussichtlich restriktivere Geld- und Kreditpolitik, die im wesentlichen den Mittelbedarf der prioritären Sektoren, insbesondere der Exportwirtschaft, zu decken hat.

Neues auf einen Blick 1986

Januar	Qualitätskontrolle für Importgüter eingeführt
Mai	Einfuhr von Kfz erleichtert Bundesrepublik Deutschland sagt im Rahmen der Finanziellen Zusammenarbeit Kooperation beim Bau des Wasserkraftwerks Rantembe zu
Juni	Sri Lanka Aid Consortium verkündet Finanzhilfe über 703 Mio. $ als Vergünstigungen bei der Refinanzierung von Exportkrediten
August	Botschafter Hans Michael Ruyter übergibt Beglaubigungsschreiben in Colombo
Dezember	Freihandelszone Biyagama formell eröffnet

Tabellenanhang

Tabelle 1

Volkswirtschaftliche Hauptindikatoren¹)

Indikator/Einheit	1985	1986
Bruttoinlandsprodukt (BIP) zu lfd. Faktorkosten (Mio. SLR)	149 415	168 839
BIP zu konst. (1982) Faktorkosten (Mio. SLR)	109 570	113 950
Reale Wachstumsrate des BIP (in %)	5,0	4,0²)
Wachstumsrate d. Bevölk. (in %)	1,2	1,5³)
BIP pro Kopf zu lfd. Faktorkosten (SLR)	9 436	10 506
BIP pro Kopf zu konst. Preisen (SLR)	6 919	7 091
Entstehung des BIP zu konst. Faktorkosten (Mio. SLR)		
Landwirtschaft	28 366	28 750
Bergbau/Industrie	18 679	20 100
Baugewerbe	8 070	8 200
Dienstleistungen	54 455	56 900
Staatshaushalt (Mio. SLR)⁴)		
Einnahmen	36 325	40 488
Ausgaben	65 821	69 159
Defizit	29 496	28 671
Staatsausgaben in % des BIP	44,1	41,0
Defizit in % des BIP	19,7	17,0
Staatsverschuldung brutto (Mio. SLR)⁵)	130 870	146 808
Inlandsverschuldung	63 197	64 818
Auslandsverschuldung	67 673	81 990
Schuldendienst, Ausland (Mio. SLR)⁶)	9 921	n. a.
Schuldendienstrate (in %)⁷)	22,3 %	30,8 %
Großhandelspreisindex (1974 = 100)⁸)	360,6	361,6
Lebenshaltungskostenindex (1952 = 100)⁸)	575,3	610,2
Export (fob, Mio. SLR)⁹)	35 382	32 995
Import (cif, Mio. SLR)⁹)	54 709	57 547
Defizit der Handelsbilanz (Mio. SLR)	19 327	24 552
Defizit der Handelsbilanz im Verhältnis zum BIP (in %)	12,9	14,5
Devisenreserven, brutto (Mio. SLR)¹⁰)	18 367¹¹)	17 733¹²)
Devisenreserven, netto (Mio SLR)¹³)	9 273¹¹)	9 319¹²)
Geldmenge (in Mio. SLR)¹⁴)	48 409	48 771¹²)

¹) Alle Angaben sind vorläufig. Werte für das Gesamtjahr 1986 sind eigene Grobschätzungen. Da das vorliegende offizielle statistische Material teilweise nur wenige Monate des Jahres umfaßt, sind noch größere Änderungen möglich
²) Angabe des Finanzministers in der Budgetrede im November 1986
³) längerfristige durchschnittliche Wachstumsrate. Im Vorjahr war die Wachstumsrate aufgrund von Sondereinflüssen geringer
⁴) jeweils revidierter Budgetansatz
⁵) Dezember 1985 und August 1986
⁶) Amortisation lang- und mittelfristiger Schulden sowie Zinszahlungen für alle Verpflichtungen
⁷) Angaben des Finanzministers in der Budgetrede ohne nähere Spezifikation. Die Zentralbank beziffert die Schuldendienstrate als Schuldendienst im Verhältnis zu Einnahmen aus der Lieferung von Waren und Dienstleistungen für 1985 auf 22,4 %
⁸) Dezember 1985 und August 1986
⁹) für 1985 berichtigte Angaben der Zentralbank, die von den Zollangaben teils erheblich abweichen, für 1986 Hochrechnung auf der Grundlage von Zentralbankangaben für acht Monate und der Vorjahresentwicklung. Der Finanzminister rechnet für 1986 mit einer Abnahme der Importe
) Bruttoauslandsreserven der Zentralbank, der kommerziellen Banken und des Staates
) Ende Dezember
) Ende August
) Nettoreserven der Zentralbank und der kommerziellen Banken
) Banknoten im Umlauf, Giralgeld, Termin- und Spareinlagen

Tabelle 2

Preisentwicklung
(Änderung gegen Vorjahresperiode in %)

Zeitraum	I	Änd.	II	Änd.
1984	553,1	+ 16,6	444,7	+ 25,6
1985	561,2	+ 1,5	377,1	− 15,2
1. Quartal 85	560,5	+ 5,1	413,1	− 9,9
2. Quartal 85	564,1	+ 1,8	381,2	− 14,0
3. Quartal 85	556,3	− 0,9	357,2	− 17,6
4. Quartal 85	564,1	+ 0,0	356,9	− 19,6
Dezember 85	575,3	+ 6,1	360,6	+ 0,3
Januar 86	586,5	+ 4,0	362,4	− 16,1
Februar 86	591,6	+ 5,7	365,4	− 11,4
März 86	595,3	+ 6,7	358,1	− 9,3
April 86	597,9	+ 6,8	357,8	− 9,2
Mai 86	600,7	+ 6,3	350,6	− 8,8
Juni 86	607,5	+ 7,1	361,4	− 3,8
Juli 86	606,3	+ 7,2	351,9	− 3,5
August 86	610,2	+ 9,8	361,6	+ 2,1

I = Index der Lebenshaltungskosten in Colombo (1952 = 100)
II = Index der Großhandelspreise (1974 = 100)

Quelle: Central Bank of Ceylon

Tabelle 3

Geld und Kredit
(in Mio. SLR, Veränderungen in %)

Indikator	1985¹)	1986²)	Veränd.³)
Zentralbankgeld	9 815,5	10 942,0	+ 11,5
Sichteinlagen	8 945,5	8 789,2	− 1,7
M1	18 761,0	19 731,2	+ 5,2
Termin-/Spareinlagen	29 647,9	29 039,9	− 2,1
M2	48 408,9	48 771,1	+ 0,8
Devisenreserven netto	9 272,7	9 318,8	+ 0,5
Inlandskredite insges.	59 226,1	60 936,8	+ 2,9
davon an			
Regierung (netto)	20 347,6	21 412,2	+ 5,2
Staatl. Unternehmen	4 437,9	4 262,9	− 3,9
Kooperativen	1 304,3	1 551,0	+ 18,9
Privatsektor	33 136,3	33 710,7	+ 1,7

¹) Stichtag 31. 12. 85
²) Stichtag 31. 8. 86
³) Veränderung in den ersten acht Monaten 1986

Tabelle 4

Staatshaushalt
(in Mio. SLR)

Indikator	1986¹)	1986²)	1987¹)
Laufende Einnahmen	39 089	40 488	44 115
Laufende Ausgaben	35 150	35 541	37 050
Überschuß d. lfd. Haushalts	3 939	4 947	7 065
Kapitalausgaben	30 125	32 518	33 000
Vorfinanzierungen³)	800	1 100	250
Budgetdefizit	26 986	28 671	26 185
Zuschüsse und Kredite aus dem Ausland	14 200	13 433	15 215
Inländische Anleihen	10 800	8 500	7 500
Kreditaufnahmen, sonstig.	3 400	6 738	3 470

¹) ursprüngliche Budgetschätzungen
²) revidierte Budgetschätzungen
³) hauptsächlich Kredite an Staatsunternehmen

Quellen: Budget Speech 1986 und 1987, Minister of Finance and Planning

Tabelle 5

Agrarproduktion

Produkt/Einheit	1985	1986
Tee insges. (Mio. kg)[1]	146,2	142,3
Hochlagen	54,0	53,4
Mittlere Lagen	38,0	35,8
Tiefe Lagen	54,2	53,1
Kautschuk insg. (Mio. kg)[2]	62,5	61,5
Platten	30,5	29,8
Crepe	24,6	24,0
Sonstige	7,4	7,8
Kokosnüsse (Mrd. Nüsse)[3]	1,8	2,2
Reis (Mio. bushels)[4]	128,0	119,0
Kunstdüngerverbrauch (1 000 t)[3]	327,0	317,0
Fischproduktion (t)[1]	1 486,0	1 045,0
Tierfutter (1 000 t)[1]	33,0	28,1

[1]) 1. 1.–31. 8.
[2]) 1. 1.–31. 5.
[3]) 1. 1.–30. 9.
[4]) Schätzung Gesamtjahr

Quellen: Tea Board, Rubber Control Dept. Coconut Development Authority, Ministry of Finance, National Fertilizer Secretariat, Ceylon Fisheries Corp., Central Bank of Ceylon

Tabelle 7

Außenhandel[1])
(in Mio. SLR)

Einfuhr/Ausfuhr	1985[2])	1986[2])[3])
Ausfuhr insges.	22 734	21 200
davon		
Landwirtschaftl. Exporte	12 305	9 808
darunter		
Tee	7 810	5 544
Kautschuk	1 764	1 677
Kokosnüsse	1 901	1 621
Andere Agrarprodukte	830	966
Industrieexporte	9 180	9 932
darunter		
Textilien, Kleidung	5 323	5 639
Erdölerzeugnisse	2 396	1 704
Sonstige	1 461	2 589
Mineralerzeugnisse	551	837
darunter		
Edelsteine	351	463
Andere	200	374
Sonstiges	698	623
Einfuhr insges.	31 152	32 767
Konsumgüter	8 517	9 399
darunter		
Reis	723	786
Mehl	189	79
Zucker	1 004	956
Milch	442	495
Textil	2 210	2 474
Pkw	932	978
Radio	271	337
Pharma	389	579
Zwischenprod.	15 417	13 906
darunter		
Kunstdünger	918	918
Erdöl	6 474	4 329
Chemie	619	910
Papier	680	669
Weizen	1 974	1 657
Investitionsgüter	5 264	5 999
darunter		
Baumaterial	486	646
Transportaus.	627	822
Maschinen	2 918	2 856
Sonstiges	1 954	3 463

[1]) berichtigte Zolldaten
[2]) jeweils 1. 1.–31. 8.
[3]) Zahlenmaterial vorläufig. Berichtigungen sind nur teilweise erfolgt. Abweichungen von Zolldaten und Zentralbankdaten z. T. erheblich

Quellen: Customs Sri Lanka, Central Bank of Ceylon

Tabelle 6

Ausgewählte Industrieindikatoren
(Veranderungen gegen Vorjahresperiode in %)

Indikator	1985	1986	Verand.
Produktionsindax[1])[2])	107,7	124,1	+ 15,2
davon fur			
Nahrungsmittel/Getränke	51,8	54,2	+ 4,6
Textilien/Lederprodukte	200,8	241,0	+ 20,0
Holz/Holzprodukte	153,5	104,0	– 32,2
Papier/Papierprodukte	128,6	143,2	+ 11,4
Chemische Erzeugnisse	105,8	122,5	+ 15,8
darunter			
Erdölprodukte	104,9	122,4	+ 16,7
Mineralerzeugnisse	114,6	144,7	+ 26,3
Grundmetallprodukte	44,6	58,4	+ 30,9
Metallwaren	88,7	159,1	+ 79,4
Stromverbrauch der Industrie (Mio. kWh)[3])	340,0	376,0	+ 10,6
Absatz von Industriebrennstoff (1 000 t)[4])	138,0	127,0	– 8,0
Schweres Dieselöl	29,0	28,0	– 3,4
Brennöl	109,0	99,0	– 9,2
Ausgewählte Industrieexporte (in Mio. SZR)[5])	338,8	308,0	– 9,1

[1]) Produktionindex der wichtigsten Staatsbetriebe (Jan. – Juli 1977 = 100)
[2]) 1. 1.–31. 7.
[3]) 1. 1.–31. 5.
[4]) 1. 1.–30. 9.
[5]) 1. 1.–31. 8.

Quelle: Central Bank of Ceylon

Tabelle 8

Zahlungsbilanz
(in Mio. SLR)

Posten	1985	1986
	1. Halbjahr	
Warenausfuhr	16 725,2	15 649,7
Wareneinfuhr	25 208,4	25 513,1
Handelsbilanzsaldo	–8 483,2	–9 863,4
Einnahmen aus Dienstleistungen	4 559,2	4 970,5
darunter aus		
Reiseverkehr	1 101,7	1 316,0
Kapitalerträgen	1 143,5	872,4
Ausgaben für Dienstleistungen	5 705,9	7 142,7
darunter		
Zahlung f. Auslandskapital	2 781,4	3 353,6
Dienstleistungsbilanzsaldo	–1 146,7	–2 172,2
Leistungsbilanzsaldo	–9 629,9	–12 035,6
Unentgeltliche Übertragungen (netto)		
darunter		
Private	+ 3 679,0	+ 3 830,6
Öffentliche	+ 1 995,7	+ 1 232,7
Übertragungsbilanz	+ 5 674,7	+ 5 063,3
Bilanz d. lfd. Posten	–3 955,2	–6 972,3
Kapitaleinfuhr	9 473,6	13 293,0
darunter		
Private	4 932,3	6 522,2
Öffentliche	4 541,3	6 770,8
Kapitalausfuhr	5 429,4	6 462,0
Kapitalbilanz	+ 4 044,2	+ 6 831,0
Änderung d. Devisenbestände	–153,1	–1 088,8
Fehler/Wertberichtigung	+ 242,1	+ 947,5

Anmerkung: Zentralbankdaten. Abweichungen von Zolldaten bei Ein- und Ausfuhr. Bei der Änderung der Devisenbestände bedeutet in der Tabelle der Einfachheit halber „+" eine Zunahme und „–" eine Abnahme. Für die Aufrechnung müssen die Vorzeichen jedoch jeweils umgekehrt werden.

Quelle: Central Bank of Ceylon

MINISTERIO DE DEFENSA NACIONAL

DIRECCION GENERAL DE INFORMACION DE DEFENSA

A. G. I. I.

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998